

### 3.7 Socioeconomic Conditions

This section addresses the economic, demographic and social conditions in Madison County and Oneida County, New York, and provides an overview of the Nation's Government and Enterprises. Unless specified otherwise, the Study Area in the Socioeconomic Conditions Section is defined as the counties and municipalities in which the Nation owns land, which includes Madison and Oneida Counties and 16 of their constituent cities, towns, and villages. In Madison County, municipalities include Canastota Village, the Towns of Cazenovia, Fenner, Lenox, Lincoln, Smithfield, Stockbridge, and Sullivan, and the City of Oneida. In Oneida County, the Nation owns land in the Villages of Sylvan Beach and Vernon along with the Towns of Augusta, Vernon, and Verona, and the City of Sherrill.

#### 3.7.1 Employment and Income

Historically, the economies of Madison and Oneida Counties have been based on agriculture and manufacturing. Madison County's topography, soil, and climate were well-suited to develop an economy dominated by producing hops and dairy products. The two industries were often intertwined, as the dairy cows were used to produce fertilizer for the hops fields. In Oneida County, agriculture also played an important role in the local economy. By the mid-1900s, manufacturing also began to develop in the region. Companies including General Electric, Univac, Utica Drop Forge and Tool, Bendix, Special Metals and Oneida Ltd. built factories in the counties.

While these sectors and industries have been integral to the region, they have not been sufficiently competitive and strong to grow and strengthen the region's economic base or serve as major anchors for attracting or retaining migrating populations. Whether cause or effect of the region's relatively static economic performance, neither county's population base has grown substantially over the last 30 years. In Oneida County, population has actually declined (a loss of nearly 40,000 persons) while Madison County has experienced little population growth (7,000 persons). These trends compare unfavorably with population growth rates for the United States, which grew by 43 percent during that same period.

There has no been net employment growth during this period. As shown in Table 3.7-1, both Madison and Oneida County have experienced an increase in the number of private sector jobs in the past 30 years, while the number of government jobs only modestly increased in Madison County and decreased in Oneida County over the same time period. However, this overall growth in employment in the past three decades tends to mask the fact that nearly all of this growth occurred before 1990. From 1990 to 2003, Madison County and Oneida County added 3,660 and 3,852 private sector jobs, respectively. The number of government jobs declined in both counties, but more substantially in Oneida

County (3,992 jobs were lost) where the closure of the Griffiss Air Force base led to the loss of 4,500 jobs in the mid-nineties.

The Nation's emergence in the 1990s as a major employer in the region has mitigated some of the difficulties caused by structural economic changes and the closure of Griffiss. The Nation employed approximately 2,900 persons in 2000 and 4,000 by 2003 in Madison and Oneida Counties. Oneida Nation jobs are reported as government employment and account for 11 and 13 percent of total government employment in the two-county area in 2000 and 2003, respectively, reported in Table 3.7-1. Prior to 2001, the Bureau of Economic Analysis (BEA) reported employment at Native American establishments as private employment. Employment at the Nation Government was classified as employment at membership organizations while employment at the Nation Enterprises was classified under the relevant private industry components. Starting in 2001, the BEA reported the employment at Native American establishments as local government employment and has reclassified all employment back to 1969 to local government employment. Thus, in all tables in this report that present BEA data, employment at the Nation Government and Enterprises is reported as local government employment.

Thus, the reported loss of government employment jobs would have been significantly worse had the Oneida Nation not added jobs over this period to the region.

The region's recent economic difficulties are clearly evident in comparisons with New York State and the United States (see Table 3.7-1). New York State's job growth picture over the 1990-2003 was somewhat better than the two-county region with faster levels of non-farm and private sector job growth and smaller levels of government job cuts. But New York's job growth fares badly in a direct comparison to the rate of the United States job expansion during this period which generated both faster rates of private sector and positive rates of government sector job growth.

**Table 3.7-1  
Total Population and Employment,  
1970-2003 Madison and Oneida Counties**

		1970	1980	1990	2000	2003
Madison County	Population	63,001	65,257	69,300	69,453	70,275
	Total Non-Farm Employment	15,952	19,189	25,658	29,730	28,885
	Private Employment	11,686	14,536	20,684	25,289	24,344
	Government Employment	4,266	4,653	4,974	4,441	4,541
	Employment/Population Ratio	0.25	0.29	0.37	0.43	0.41
Oneida County	Population	273,586	253,560	251,191	235,244	234,368
	Total Non-Farm Employment	112,368	113,658	131,082	133,328	130,942
	Private Employment	82,640	85,945	100,557	110,013	104,409
	Government Employment	29,728	27,713	30,525	23,315	26,533
	Employment/Population Ratio	0.41	0.45	0.52	0.57	0.56
Two-County Total	Population	336,587	318,817	320,491	304,697	304,643
	Total Non-Farm Employment	128,320	132,847	156,740	163,058	159,827
	Private Employment	94,326	100,481	121,241	135,302	128,753
	Government Employment	33,994	32,366	35,499	27,756	31,074
	Employment/Population Ratio	0.38	0.42	0.49	0.54	0.52
New York State	Population	18,271,605	17,566,754	18,020,784	18,998,889	19,228,031
	Total Non-Farm Employment	8,392,952	8,538,024	9,751,506	10,395,185	10,393,279
	Private Employment	7,042,627	7,200,246	8,220,791	8,911,313	8,893,728
	Government Employment	1,350,325	1,337,778	1,530,715	1,483,872	1,499,551
	Employment/Population Ratio	0.46	0.49	0.54	0.55	0.54
United States	Population	203,798,722	227,224,719	249,622,814	282,193,477	290,850,005
	Total Non-Farm Employment	87,320,600	110,433,200	136,227,900	163,645,800	164,456,500
	Private Employment	71,239,600	91,658,200	114,995,900	140,701,800	140,828,500
	Government Employment	16,081,000	18,775,000	21,232,000	22,944,000	23,628,000
	<b>Employment/Population Ratio</b>	<b>0.43</b>	<b>0.49</b>	<b>0.55</b>	<b>0.58</b>	<b>0.57</b>

Source: Bureau of Economic Analysis, Regional Economic Accounts; U.S. Bureau of Census.  
 Note: Farm Employment is not included in this table; Employment at the Nation Government and Enterprises in 2000 and 2003 is included in Madison and Oneida County government employment.

County and Oneida County added 3,800 and 3,900 private sector jobs, respectively. The number of government jobs declined in both counties, but more substantially in Oneida County (4,000 jobs were lost) where the closure of the Griffiss Air Force base led to the loss of 4,500 jobs in the mid-nineties.

The Nation's emergence in the 1990s as a major employer in the region has mitigated some of the difficulties caused by structural economic changes and the closure of Griffiss. The Nation employed approximately 2,900 persons in 2000 and 4,000 by 2003 in Madison and Oneida Counties. Oneida Nation jobs are reported as government employment and account for 11 and 13 percent of total government employment in the two-county area in 2000 and 2003, respectively, reported in Table 3.7-1.<sup>1</sup> Thus, the reported loss of government employment jobs would have been significantly worse had the Oneida Nation not added jobs over this period to the region.

The region's recent economic difficulties are clearly evident in comparisons with New York State and the United States (see Table 3.7-1). New York State's job growth picture over the 1990-2003 was somewhat better than the two-county region with faster levels of non-farm and private sector job growth and smaller levels of government job cuts. But New York's job growth fares badly in a direct comparison to the rate of the United States job expansion during this period which generated both faster rates of private sector and positive rates of government sector job growth.

### 3.7.1.1 Economic Base

This section describes a regional Study Area comprised of Madison, Oneida, and Onondaga Counties. These three counties are the major counties where employees working for the Nation reside and a major share of the many vendors providing goods and services to the Nation are located within this region. This section will also examine the characteristics and trends of the "Study Area Municipalities" within which the Nation has land holdings.

#### **Employment**

In 2003, the U.S. Department of Commerce's Bureau of Economic Analysis reported that approximately 459,830 people were employed in the three-county region comprised of Oneida, Madison, and Onondaga Counties. Full-and part-time employment, including farm employment, in Oneida County in 2003 was 132,696. Oneida County, together

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<sup>1</sup> Prior to 2001, the Bureau of Economic Analysis (BEA) reported employment at Native American establishments as private employment. Employment at the Nation Government was classified as employment at membership organizations while employment at the Nation Enterprises was classified under the relevant private industry components. Starting in 2001, the BEA reported the employment at Native American establishments as local government employment and has reclassified all employment back to 1969 to local government employment. Thus, in all tables in this report that present BEA data, employment at the Nation Government and Enterprises is reported as local government employment.

with Herkimer County, belongs to the Utica-Rome metro area and accounted for 84 percent of the metro area’s employment. Employment in Madison and Onondaga County in 2003 totaled 30,056 and 297,079, respectively. Both counties belong to the Syracuse metro area, which also includes Oswego County and which totaled 372,944 jobs in 2003. Madison and Onondaga Counties accounted for eight and 80 percent of total employment in the Syracuse metropolitan area, respectively (see Table 3.7-2).

As described in more detail in Section 3.7.53, the Nation employed approximately 4,000 workers in 2003 in Madison and Oneida Counties. These jobs are included in the counts presented in Table 3.7-2.

**Table 3.7-2  
Full- and Part-time Employment  
Madison County, Oneida County, Onondaga County,  
Utica-Rome Metro Area, and Syracuse Metro Area, 2003**

	# of Jobs	% of Metro Area	% of Three-County Area
Oneida County	132,696	84%	29%
Utica-Rome Metro Area	158,274	100%	N/A
Madison County	30,056	8%	7%
Onondaga County	297,079	80%	65%
Syracuse Metro Area	372,944	100%	N/A
<b>Three-County Area</b>	<b>459,831</b>	<b>N/A</b>	<b>100%</b>

Source: Bureau of Economic Analysis, Regional Economic Accounts.

Note: Includes Farm Employment; Nation employment is included in Madison and Oneida County employment.

Employment compiled at the ZIP code level from the U.S. Bureau of Census shows that, in 2003, there were approximately 18,193 workers in the areas that roughly correspond to the local municipalities where the Nation owns land (see Table 3.7-3).

The U.S. Bureau of Census created the ZIP code level employment dataset based on information from the employer’s Federal Withholding Tax Returns (IRS Form 941). In 2003, Non-Native American Nation employees were reported in the IRS Form 941 of the Oneida Employment Services Inc , an unrelated company that provides payroll and other services to the Nation and was then located in Zip Code 13032. Native Americans including but not limited to Nation Members account for about 4 percent of the Nation’s total employment.

**Table 3.7-3  
Private Sector Employment, 2003  
Study Area Municipalities**

ZIP Code	Name Municipality	2003
13134	Smithfield	*
13157	Sylvan Beach	176
13461	Sherrill	1,245
13476	Vernon	835
13477	Vernon Center	47
13478	Verona	289
13054	Durhamville	77
13425	Augusta	317
13032	Canastota/ Lenox/Lincoln	5,766
13035	Cazenovia/ Fenner	2,505
13037	Sullivan	1,528
13421	Oneida	5,100
13409	Stockbridge	308
	<b>Total</b>	<b>18,193</b>

Source: Source: U.S. Bureau of Census, ZIP Business Patterns

Note: Nation employment was classified as private sector employment by the U.S Bureau of Census in their Zip Business Patters data series and was reported as part of Zip Code 13032 in 2003 because that was the location of the payroll processing conducted for Oneida Employment Services Inc.,. \*Zip 13134, Smithfield has less than 9 jobs, the exact number of jobs is not reported by the U.S. Bureau of Census.

### **Earnings**

The BEA reports that total earnings in Madison County in the year 2003 were \$860 million. In that same year, earnings totaled \$4.454 billion and \$12.379 billion in Oneida County and Onondaga County, respectively (see Table 3.7-4). Total earnings include wages and salaries, other employee compensation and proprietors' income.

Nation employees' earnings are included in the earnings in Madison and Oneida Counties reported in Table 3.7-4. As explained in more detail in Section 3.7.5.3, the Nation's payroll in 2003 totaled \$99.4 million, not including pension and insurance contributions.

**Table 3.7-4  
Earnings in Madison County, Oneida County, and Onondaga County,  
2003 in (\$000s)**

	Madison County	Oneida County	Onondaga County	Three County Area
Wages and Salaries	637,272	3,410,773	9,315,864	13,363,909
Other Employee Compensation	142,067	783,101	2,290,878	3,216,046
Proprietors' Income	80,981	260,844	771,828	1,113,653
<b>Total Earnings</b>	<b>860,320</b>	<b>4,454,718</b>	<b>12,378,570</b>	<b>17,693,608</b>
Average Annual Wage	\$28.3	\$29.7	\$35.8	\$ 33.6

Source: Bureau of Economic Analysis, Regional Economic Accounts.

Note: Includes farm employment; "Other Employee Compensation" includes employer contributions for employee pension and insurance funds and for government social insurance; Earnings of non-Native Nation employees are included in Madison and Oneida County earnings.

According to the U.S. Bureau of Census, the annual payroll of employees working in the ZIP codes that roughly correspond to the Study Area municipalities in 2003 was about \$480 million (see Table 3.7-5). As noted, the Nation’s payroll was reported as part of the ZIP Code 13032 payroll in the year 2003. The Nation’s payroll was estimated to be just under \$100 million in 2003 (see Figure 3.7-15)

**Table 3.7-5  
Annual Private Sector Payroll  
ZIP Codes of Study Area Municipalities, 2003**

ZIP Code	Municipality	Annual Payroll (in \$000s)
13134	Smithfield	*
13157	Sylvan Beach	3,384
13461	Sherrill	34,311
13476	Vernon	23,215
13477	Vernon Center	1,678
13478	Verona	6,525
13054	Durhamville	1,987
13425	Augusta	10,347
13032	Canastota/Lincoln/Lenox	147,459
13035	Cazenovia/Fenner	63,560
13037	Sullivan	41,609
13421	Oneida	137,768
13409	Stockbridge	7,881
	<b>Total</b>	<b>\$ 479,724</b>

Source: U.S. Bureau of Census, ZIP Business Patterns

Note: Nation payroll is part of the ZIP 13032 payroll. \*Zip 13134, Smithfield has less than 9 jobs,, the exact number of jobs is not reported by the U.S Bureau of Census.

**Industrial Structure**

In both Madison and Oneida Counties, more than 20 percent of all industry earnings in 2003 were concentrated in government employment, which includes employment at the Nation government and enterprises (see Table 3.7-6). Other large industry sectors, in terms of earnings, in Madison County were durable goods manufacturing, retail trade, and professional and technical services. In Oneida County, large industry sectors included health services and social assistance, durable goods manufacturing, retail trade, and finance and insurance. Although government was also the largest sector in Onondaga County, durable goods manufacturing accounted for an almost equal share of earnings. Health care and social assistance, professional and technical services, wholesale trade, finance and insurance, and retail trade were other large sectors in Onondaga County.

**Industrial Specialization**

Location quotient analysis is an analytical method for assessing the strengths and weaknesses of a local economy. The location quotient identifies local specializations by comparing the local industrial structure with that of the entire U.S. An industry’s location

quotient is calculated by dividing the industry's share of local earnings by the industry's share of national earnings. Location quotients can also be used to identify a local economy's economic base or export base. Industries with a location quotient above 1 are considered "export" industries or "basic" industries, which can be viewed as major wealth-generating industry sectors, attracting non-local sales or other flows of funds into to the region (e.g., governmental aid). According to economic base theory, these basic sectors are critical to local economic growth. Industries that are particularly concentrated in the local economy, and thus have location quotients greater than one, represent local strengths or specializations. Table 3.7-7 lists the industries with the highest level of specialization in each county in 2003 based on industry earnings data.

Oneida County's main areas of specialization include primary metal manufacturing, state government, and social assistance. Oneida County's location quotient of 5.28 for primary metal manufacturing shows that this industry's share of total earnings is more than five times larger in Oneida County than in the U.S. as a whole. The industries that are particularly highly concentrated in Madison County are non-store retailers and plastic and rubber manufacturing. Agriculture is also important in Madison County, as currently 48 percent of the land is used for farming with over 700 active farms. Nation employment is part of employment in local government, a sector which represents a local strength for both Madison and Oneida County. Onondaga County's competitive strengths include the utilities industry, machinery manufacturing, and education.

**Table 3.7-6  
Industrial Structure: Share of Earnings by Industry Sector, 2003  
Madison, Oneida and Onondaga Counties**

	Madison County	Oneida County	Onondaga County	Three-County Region
Farming	1.0%	0.3%	0.2%	0.2%
Forestry, fishing, related activities	0.4%	0.1%	n/a	0.1%
Mining	0.4%	0.1%	n/a	0.0%
Utilities	n/a	n/a	2.9%	2.0%
Construction	4.8%	3.7%	4.9%	4.6%
Durable goods manufacturing	<b>9.5%</b>	<b>9.1%</b>	<b>13.5%</b>	<b>12.2%</b>
Nondurable goods manufacturing	4.4%	2.3%	3.8%	3.5%
Wholesale trade	4.4%	n/a	<b>6.8%</b>	<b>5.0%</b>
Retail trade	<b>8.5%</b>	<b>7.7%</b>	<b>6.2%</b>	<b>6.7%</b>
Transportation and warehousing	n/a	3.0%	2.9%	2.8%
Information	1.2%	2.8%	3.0%	2.8%
Finance and insurance	4.0%	<b>7.2%</b>	<b>6.6%</b>	<b>6.6%</b>
Professional and technical services	<b>7.3%</b>	4.1%	<b>7.0%</b>	<b>6.3%</b>
Management of companies and enterprises	0.7%	1.0%	2.5%	2.0%
Administrative and waste services	1.6%	3.4%	3.0%	3.1%
Educational services	n/a	1.4%	2.9%	2.4%
Health care and social assistance	n/a	<b>15.0%</b>	<b>10.7%</b>	<b>11.3%</b>
Arts, entertainment, and recreation	0.5%	0.5%	0.6%	0.6%
Accommodation and food services	2.7%	2.2%	2.3%	2.3%
Other services, except public administration	3.1%	2.7%	2.8%	2.8%
Government and government enterprises	<b>21.8%</b>	<b>28.4%</b>	<b>15.9%</b>	<b>19.3%</b>
<b>All Industries</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Bureau of Economic Analysis, Regional Economic Accounts.

Note: Employment at the Nation Government and Enterprises is reported as government employment in Madison and Oneida Counties.

**Table 3.7-7  
Areas of Specialization, 2003  
Madison, Oneida and Onondaga Counties**

	Location Quotient	Earnings (\$000s)	Share of Total Earnings
<b>Madison County</b>			
Non store retailers	3.44	9,831	1.2%
Plastics and rubber products manufacturing	3.40	16,378	1.9%
Other information services	2.47	613	0.1%
Waste management and remediation services	2.38	4,958	0.6%
Food manufacturing	2.08	17,205	2.0%
Nursing and residential care facilities	1.80	16,950	2.0%
Local government	1.78	130,206	15.3%
Health and personal care stores	1.67	6,628	0.8%
Motor vehicle and parts dealers	1.60	19,068	2.2%
State government	1.59	44,485	5.2%
Social assistance	1.57	10,966	1.3%
Farming	1.56	8,576	1.0%
General merchandise stores	1.50	11,960	1.4%
<b>Oneida County</b>			
Primary metal manufacturing	5.28	102,848	2.3%
State government	3.23	467,959	10.5%
Social assistance	2.71	98,117	2.2%
Other information services	2.43	3,122	0.1%
Nursing and residential care facilities	2.27	110,956	2.5%
Miscellaneous manufacturing	2.15	61,277	1.4%
Insurance carriers and related activities	2.05	213,154	4.8%
Furniture and related product manufacturing	1.90	27,302	0.6%
Transit and ground passenger transportation	1.86	13,154	0.3%
Non store retailers	1.77	26,226	0.6%
Waste management and remediation services	1.69	18,305	0.4%
Local government	1.63	614,948	13.8%
<b>Onondaga County</b>			
Utilities	2.81	359,284	2.9%
Machinery manufacturing	2.26	296,859	2.4%
Educational services	2.22	360,160	2.9%
Insurance carriers and related activities	1.96	564,825	4.6%
Electrical equipment and appliance manufacturing	1.80	85,957	0.7%
Miscellaneous manufacturing	1.73	137,542	1.1%
Computer and electronic product manufacturing	1.68	364,628	3.0%
Other information services	1.60	5,722	0.0%
Transit and ground passenger transportation	1.58	31,069	0.3%
Furniture and related product manufacturing	1.52	\$ 60,761	0.3%

Source: Bureau of Economic Analysis, Regional Economic Accounts.

Note: Employment at the Nation Government and Enterprises is reported as local government employment in Madison and Oneida Counties.

### **Employment Change**

Between 1970 and 2000, employment in the three-county region increased at an average annual rate of 1.1 percent, which is the same as Upstate New York's average annual employment growth rate during that time period but lower than the U.S. rate of 2.8 percent. Madison County's growth rate of 2.4 percent exceeded Upstate New York's while Oneida County lagged behind with 0.6 percent average annual employment growth.

An overview of employment change by decade and for the 2000-2003 period is presented below.

- In the 1970s, employment in both the three-county region and Upstate New York as a whole grew at an average annual rate of about one percent, while U.S. employment grew at an average annual rate of 2.5 percent (See Table 3.7-8). Madison County's employment average annual growth rate of 1.9 percent during this same period substantially exceeded that of the three-county region as a whole, while employment in Oneida County remained stagnant.
- In the 1980s, employment growth in the three-county region outpaced Upstate New York as employment increased at an average annual rate of 2.0 percent and 1.7 percent, respectively. Madison County experienced an average annual employment growth of 2.9 percent, outpacing the U.S. as a whole where employment grew at an average annual rate of 2.2 percent during that time period.
- While U.S. employment grew at an average annual rate of 2.0 percent in the 1990s, Upstate New York experienced only a modest growth of 0.5 percent, and employment in the three-county area was stagnant. Employment in Madison County, however, increased at an average annual rate of 1.3 percent.
- Between 2000 and 2003, employment decreased in both the three-county area and Upstate New York, the average annual decrease of 0.7 percent in the three-county area exceeding Upstate New York's 0.4 percent average annual decrease. In the U.S. as a whole, employment was relatively stagnant.

In summary, while employment growth in Upstate New York has lagged U.S. growth throughout the 1970 to 2003 period, between 1970 and 2000, Madison County performed better than Upstate New York as a whole, while Oneida County lagged behind. After 2000, however, Madison County performed worse than Oneida County and Upstate New York as a whole, but all areas lost employment.

Since the opening of the Turning Stone Casino in 1993, Nation employment has increased steadily from 1,350 in 1993 to 4,611 in 2005. Nation employment was about 2,900 in 2000 and 4,000 in 2003. Nation jobs are included in the Madison and Oneida County employment counts presented in Table 3.7-8. (For more information on Nation employment, see Section 3.7.5.3)

**Table 3.7-8  
Change in Full- and Part-time Employment  
Madison, Oneida and Onondaga Counties, 1970-2003**

	1970	1980	1990	2000	2003
<b>Employment</b>					
Madison	17,722	21,061	27,078	30,653	30,056
Oneida	114,624	116,140	132,974	134,625	132,696
Onondaga	223,480	250,751	305,811	303,934	297,079
Three-County Area	355,826	387,952	465,863	469,212	459,831
Upstate New York*	2,521,772	2,770,513	3,229,959	3,379,685	3,343,560
United States	91,281,600	114,231,200	139,380,900	166,758,800	167,174,400
<b>Average Annual Employment Growth</b>	<b>70-80</b>	<b>80-90</b>	<b>90-00</b>	<b>00-03</b>	<b>70-00</b>
Madison	1.88%	2.86%	1.32%	-0.65%	2.43%
Oneida	0.13%	1.45%	0.12%	-0.48%	0.58%
Onondaga	1.22%	2.20%	-0.06%	-0.75%	1.20%
Three-County Area	0.90%	2.01%	0.07%	-0.67%	1.06%
Upstate New York*	0.99%	1.66%	0.46%	-0.36%	1.13%
United States	2.51%	2.20%	1.96%	0.08%	2.76%

Source: Bureau of Economic Analysis, Regional Economic Accounts.

Note: Includes farm employment; Nation employment is included in Madison and Oneida County 2000 and 2003 employment.

\*Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties).

According to the U.S. Bureau of Census, employment in the ZIP codes that correspond to the Study Area Municipalities increased at an average annual growth rate of 4.7 percent between 1994 and 2003, which is the first and the last year for which the data was available (see Table 3.7-9). Most of the area's 5,409 additional jobs were reported for ZIP code 13032 (Canastota, Lincoln, and Lenox) and ZIP code 13461 (Sherrill). Nation employment was included in the ZIP 13032 employment count during this period. It should be noted that while employment data from different sources cannot be directly compared due to distinct technical differences in methods of employment counting, private employment in Madison and Oneida County as reported by the Bureau of Economic Analysis, increased at a slower average annual rate of 1.1 percent and 0.3 percent, respectively during that same time period

**Table 3.7-9  
Change in Employment, 1994-2003  
Study Area Municipalities by Zip Code**

ZIP Code	Name Municipality	Employment		Employment Growth	
		1994	2003	94-03	
		Number	Number	Change	Average Annual % Change
13134	Smithfield	3	*		
13157	Sylvan Beach	145	176	31	2.38%
13461	Sherrill	-	1,245	1,245	0.00%
13476	Vernon	675	835	160	2.63%
13477	Vernon Center	34	47	13	4.25%
13478	Verona	293	289	(4)	-0.15%
13054	Durhamville	93	77	-16	-1.91%
13425	Augusta	394	317	(77)	-2.17%
13032	Canastota/Lincoln/Lenox	2,190	5,766	3,576	18.14%
13035	Cazenovia/ Fenner	2,457	2,505	48	0.22%
13037	Sullivan	1,377	1,528	151	1.22%
13421	Oneida	5,053	5,100	47	0.10%
13409	Stockbridge	86	308	222	28.68%
	<b>Total</b>	<b>12,797</b>	<b>18,193</b>	<b>5,396</b>	<b>4.69%</b>

Source: U.S. Bureau of Census, ZIP Business Patterns

Note: Nation employment is part of ZIP 13032 employment. ZIP 13134, Smithfield has less than 9 jobs in 2003; the exact number of jobs in 2003 is not reported by the U.S Bureau of Census \*\* Does not include ZIP 13134, Smithfield

Changes in the industrial composition of Madison, Oneida and Onondaga Counties in the past 30 years correspond to the larger nationwide shift of employment from manufacturing to services. Manufacturing employment's share of total employment in the three-county area declined from 23 percent to 11 percent of total employment between 1970 and 2000, while the services sector's share of total employment nearly doubled during that time period (from 17 percent to 33 percent of total employment).

Employment at the Nation Government and Enterprises is included in 2000 Madison and Oneida County government employment.

A few key industrial composition changes can be seen in Table 3.7-10 for the subject region between 1970 and 2000:

- In Madison County, employment in agriculture decreased from 10 percent of total employment in 1970 to only four percent in 2000, while services grew in relative importance from 21 percent in 1970 to 33 percent of total employment in 2000. Government employment also became less important; its share declined from 24 percent of total employment in 1970 to 14 percent in 2000.
- In Oneida County, manufacturing employment's share of total employment declined by 11 percentage points, while service jobs experienced a 20 percentage

point growth. Until the 1990s, the federal government was a large employer in the area, providing a steady source of jobs. However, the decommissioning in 1993 of Griffiss Air Force Base in Rome was a major blow to the region, leading to a direct employment loss of approximately 4,500 military and civilian jobs in the government sector.

Through the use of “shift-share” analytical methods, it is possible to determine whether these employment shifts are a nationwide trend or if they are peculiar to the local economy. Under this methodology, change is broken down into (1) the national effect, which is based on the national employment growth rate; (2) the industrial mix effect, which shows whether the local economy is composed of industries that grew at a rate that is higher or lower than the national average; and (3) the local effect, which indicates to what extent local conditions were responsible for the growth or decline in employment (See Figure 3.7-1). The change in employment between 1988 and 2000 was decomposed into these three effects for each of the three counties. These years were selected because they represent the same point in the business cycle (peak). A change in the industry classification system (from the Standard Industrial Classification (SIC) system to the North American Industry Classification System (NAICS)) prevented including years after 2000 in this analysis.

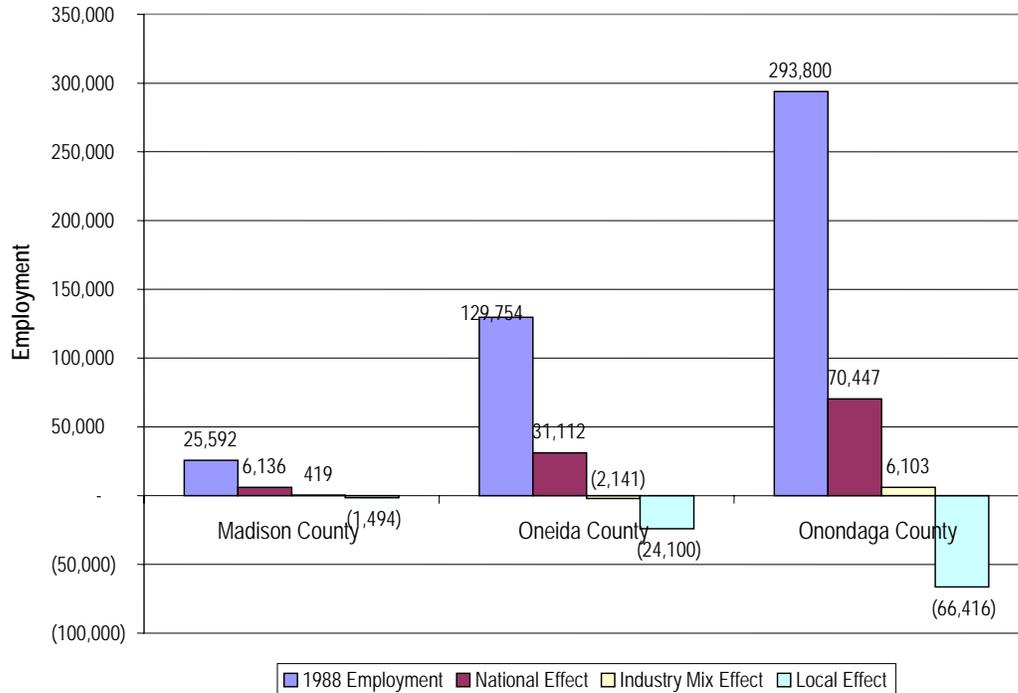
The “shift-share” method shows that although employment increased between 1988 and 2000, the growth rate in each of these three counties trailed the national average. While part of this slower growth in Oneida County can be explained by its industrial structure (i.e., a negative industry mix effect), the same cannot be said of Madison and Onondaga Counties, where employment is concentrated in faster than average growing industries (i.e., positive industry mix effect). For all three counties, slower than average growth is generally attributable to local factors (i.e., negative local effect) with most employment concentrated in local industries that grew at a slower pace than the national average. Nevertheless, there are some industry sectors that performed better locally than their national counterparts (positive local effect), including federal civilian employment in Onondaga County and manufacturing and services in Madison County.

**Table 3.7-10**  
**Change in Industrial Structure Percent of Full and Part-Time Employment**  
**Madison, Oneida and Onondaga Counties, 1970-2000**

	Madison County					Oneida County				
	1970	1980	1990	2000	% Point Change 70-00	1970	1980	1990	2000	% Point Change 70-00
Total	17,722	21,063	27,088	30,945		114,625	116,142	132,996	135,098	
Total Change Per Decade	--	3,341	6,025	3,857		---	1,517	16,854	2,102	
Farm Employment	10.0%	8.9%	5.3%	3.9%	-6%	2.0%	2.1%	1.4%	1.3%	-1%
Government	24.1%	22.1%	18.4%	14.4%	-10%	25.9%	23.9%	23.0%	17.3%	-9%
Private Employment	65.9%	69.0%	76.4%	81.7%	16%	72.1%	74.0%	75.6%	81.4%	9%
Agricultural Services	0.7%	0.9%	1.3%	1.4%	1%	0.3%	0.3%	0.5%	0.5%	0%
Mining	0.3%	0.3%	0.2%	0.2%	0%	0.2%	0.1%	0.1%	0.1%	0%
Construction	4.8%	4.3%	6.3%	5.6%	1%	4.3%	3.0%	4.2%	3.4%	-1%
Manufacturing	9.4%	9.9%	9.9%	10.7%	1%	23.1%	19.2%	14.0%	11.7%	-11%
Transportation and Utilities	2.4%	1.9%	2.5%	2.1%	0%	4.6%	3.6%	3.4%	3.2%	-1%
Wholesale trade	2.2%	5.9%	4.4%	3.4%	1%	3.4%	4.6%	3.9%	3.7%	0%
Retail trade	17.4%	15.9%	19.8%	20.3%	3%	14.5%	15.1%	17.1%	16.9%	2%
FIRE	7.6%	6.2%	4.5%	4.7%	-3%	6.9%	7.0%	7.3%	7.2%	0%
Services	21.1%	23.7%	27.5%	33.3%	12%	14.8%	21.1%	25.1%	34.8%	20%
Total	223,480	250,751	305,811	303,934		355,827	387,956	465,895	469,977	
Total Change Per Decade	--	27,271	55,060	-1,877		--	32,129	77,939	4,082	
Farm Employment	0.7%	0.7%	0.5%	0.4%	0%	1.6%	1.5%	1.0%	0.9%	-1%
Government	15.6%	15.0%	13.0%	13.4%	-2%	19.3%	18.0%	16.2%	14.6%	-5%
Private Employment	83.7%	84.3%	86.6%	86.2%	2%	79.1%	80.4%	82.8%	84.5%	5%
Agricultural Services	0.2%	0.3%	0.5%	0.6%	0%	0.3%	0.3%	0.6%	0.6%	0%
Mining	0.2%	0.1%	0.1%	0.1%	0%	0.2%	0.1%	0.1%	0.1%	0%
Construction	4.6%	3.7%	5.5%	4.6%	0%	4.5%	3.5%	5.2%	4.3%	0%
Manufacturing	24.6%	19.9%	13.9%	12.4%	-12%	23.4%	19.1%	13.7%	12.1%	-11%
Transportation and Utilities	6.2%	5.6%	5.7%	5.8%	0%	5.5%	4.8%	4.9%	4.8%	-1%
Wholesale trade	7.0%	7.5%	6.2%	6.2%	-1%	5.6%	6.5%	5.4%	5.3%	0%
Retail trade	14.7%	14.8%	17.0%	16.4%	2%	14.7%	14.9%	17.2%	16.8%	2%
FIRE	8.5%	9.8%	9.0%	7.8%	-1%	7.9%	8.7%	8.3%	7.4%	0%
Services	17.8%	22.8%	28.6%	32.2%	14%	17.0%	22.3%	27.6%	33.0%	16%

Source: Bureau of Economic Analysis, Regional Economic Accounts. Note: FIRE is an acronym for the Finance, Insurance and Real Estate sector. Employment at Nation Government and Enterprises is included in 2000 government employment for Madison and Oneida Counties

**Figure 3.7-1  
Employment Growth: Components of Shift-Share  
Madison, Oneida, and Onondaga Counties, 1990-2000.**



Source: Bureau of Economic Analysis, Regional Economic Accounts

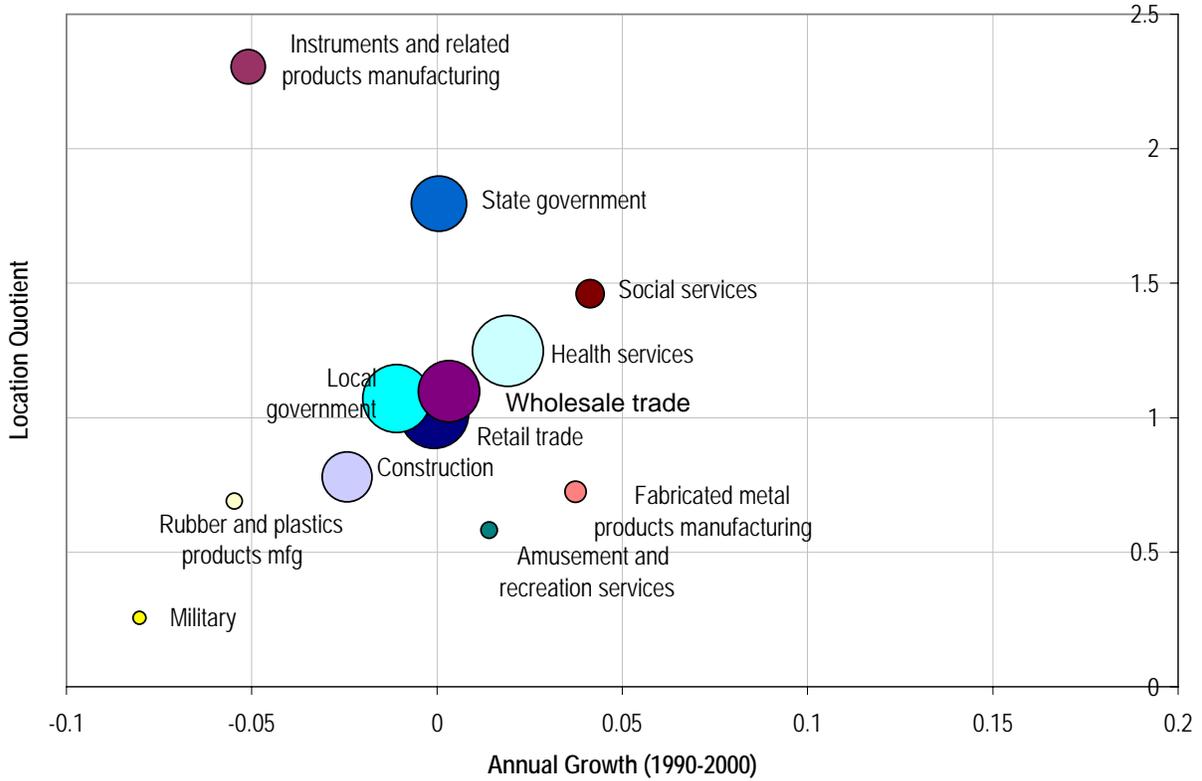
Figure 3.7-2 depicts the industrial composition of the region, highlighting industries that experienced major growth or decline between 1990 and 2000 as well as their relative significance to the region's total earnings in 2000. The figure shows the location quotient in year 2000 (y-axis) and the average annual growth rate in earnings between 1990 and 2000 (x-axis). The total amount earned by select significant industries in 2000 is represented by the size of the bubble. Thus, the larger the bubble's size, the more significant the industry is in terms of its contribution to regional earnings. More successful regional economies may contain several larger industries (i.e., larger bubbles), with a cluster of such industries further right on the x-axis (exhibiting growth), and upward on the y-axis (exhibiting competitive advantage).

Social services and health services are of particular interest, as these industries were highly concentrated in the three-county region in 2000 and their earnings increased markedly (adjusted for inflation) between 1990 and 2000. The significance of the health services industry in terms of its size also is noteworthy. By contrast, the region was highly specialized in instrument manufacturing, but real earnings in this industry declined between 1990 and 2000. Other growing industries were fabricated metal products

manufacturing and amusement and recreation services but they were not as highly concentrated in the region or large in their relative significance to regional earnings.

Employment at the Nation Government and Enterprises is included in local government employment. Although the sector represents a local specialization and has relatively large earnings, local government earnings (after adjusting for inflation) decreased between 1990 and 2000.

**Figure 3.7-2**  
**Earnings in Select Industries in Madison County, Oneida County, and Onondaga County, 1990-2000**

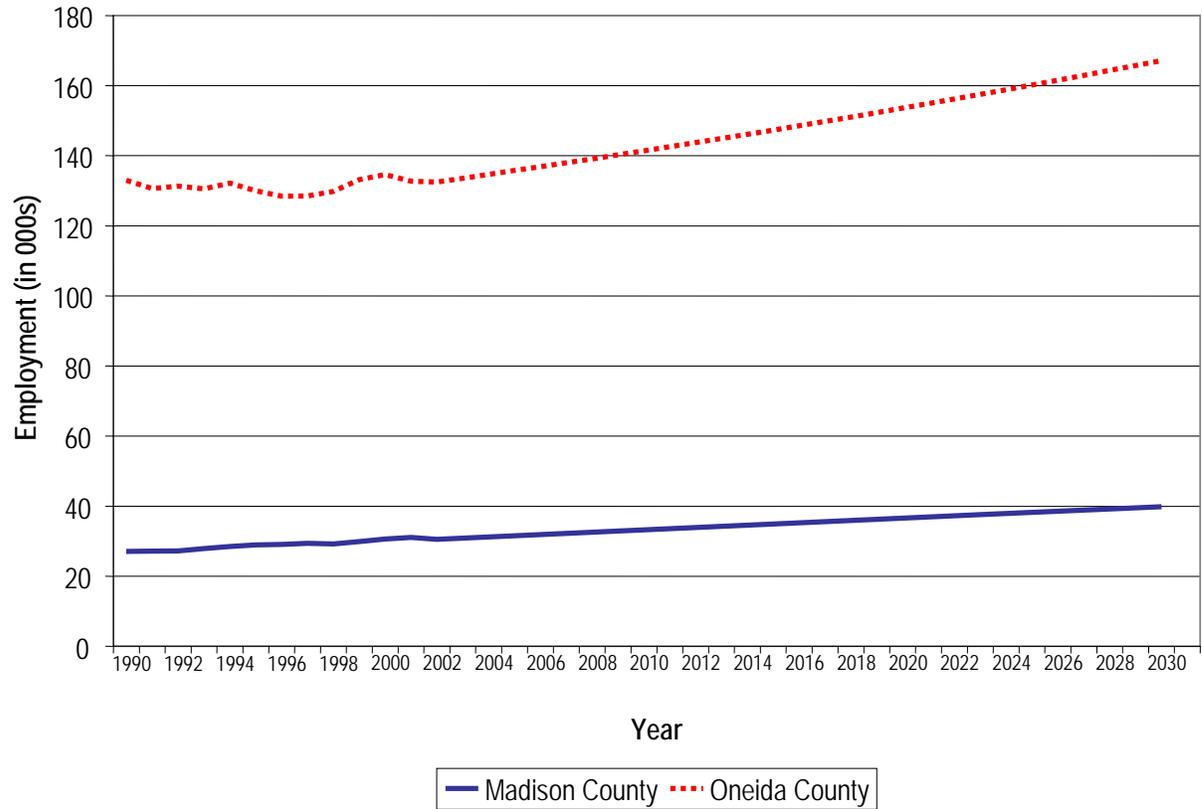


Source: Bureau of Economic Analysis, Regional Economic Accounts. Note: Nation jobs are included in Local Government

**Future Employment Outlook**

Woods and Poole Economics, Inc., a commercial economics forecasting firm, projected an average annual employment growth of 1.08 percent between 2003 and 2030 in Madison County, leading to a total of 39,860 jobs in 2030 (see Table 3.7-11 and Figure 3.7-3). Oneida

**Figure 3.7-3**  
**Historic and Projected Employment**  
**Madison and Oneida Counties**



Source: Woods & Poole Economics, Inc.

**Table 3.7-11  
Projected Change in Employment by Industry  
Madison County and Oneida County, 2003-2030**

	Madison County		Oneida County	
	Absolute Change (in 000s)	Average Annual Change	Absolute Change (in 000s)	Average Annual Change
Farm Employment	-0.045	-0.14%	-0.135	-0.29%
Non-Farm Employment	9.063	1.13%	33.743	0.95%
Private Employment	8.49	1.25%	31.764	1.08%
Agricultural Services	0.174	1.47%	0.085	0.53%
Mining	0.021	1.23%	0.019	0.84%
Construction	0.259	0.53%	-0.125	-0.10%
Manufacturing	1.066	1.23%	-1.154	-0.32%
Transportation, Communication, and Utilities	0.173	1.19%	1.158	1.07%
Wholesale Trade	0.208	0.74%	0.789	0.61%
Retail Trade	1.559	0.99%	2.082	0.35%
Finance, Insurance, and Real Estate	0.217	0.46%	1.916	0.73%
Services	4.813	1.71%	26.994	2.02%
Government Employment	0.573	0.46%	1.979	0.32%
Federal Civilian	0.041	0.99%	-0.646	-1.21%
Federal Military	0.024	0.91%	0.071	0.59%
State and Local	0.508	0.44%	2.554	0.46%
<b>Total Employment</b>	<b>\$ 9.018</b>	<b>1.08%</b>	<b>\$ 33.608</b>	<b>0.93%</b>

Source: Woods and Poole Economics, Inc.

Note: Employment at the Nation Government and Enterprises is included in State and Local Government Employment

County employment is projected to increase at an average annual rate of 0.93 percent during that same time period, resulting in a total of 167,190 jobs in 2030. By comparison, between 1970 and 2000, employment in Madison and Oneida County grew at an average annual rate of 2.43 and 0.58 percent, respectively. To achieve the future employment levels projected by Woods and Poole, Oneida County will have to significantly outperform growth levels experienced over the last 30 years.

Industry-level projections are presented below and in Table 3.7-11. Employment at the Nation Government and Enterprises is included in the state and local government employment projections for Madison and Oneida Counties.

- In Madison County the majority of the 9,018 additional jobs are in the services sector. Other sectors that are projected to experience significant growth in Madison County are retail trade and manufacturing. Projections show a relatively modest increase in state and local government employment of 0.44%.
- In Oneida County, the majority of the 33,608 additional jobs are also in the services sector, followed by state and local government employment, retail trade, the finance, insurance and real estate sector and transportation, communication,

and utilities. The average annual growth rate for state and local government is 0.46 percent.

### **Major Employers**

According to the 2006 Central New York Business Journal, the Nation is the third largest employer in Central New York. Central New York is defined by the Business Journal as consisting of the following counties: Broome, Cayuga, Chemung, Chenango, Cortland, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, Seneca, St. Lawrence, Tioga and Tompkins.

The only employers larger than the Nation are Cornell University in Ithaca and State University of New York (SUNY) Upstate Medical University in Syracuse. As shown in Table 3.7-12, the Nation is the second largest employer in the three-county region comprised of Oneida, Madison and Onondaga counties.

The Nation is the single largest employer in Madison or Oneida Counties and, of the top 15 employers, there are very few located in these two counties. While Onondaga County has about 19 employers with more than 1,000 employees, the Nation is the only employer with more than 1,000 employees in Madison County and one of four in Oneida County. Other large employers in Oneida County include two health care facilities (Faxton's Saint Luke's Health Care and St. Elizabeth Medical Center) and a human services agency (Upstate Cerebral Palsy).

### **3.7.1.2 Labor Force and Unemployment**

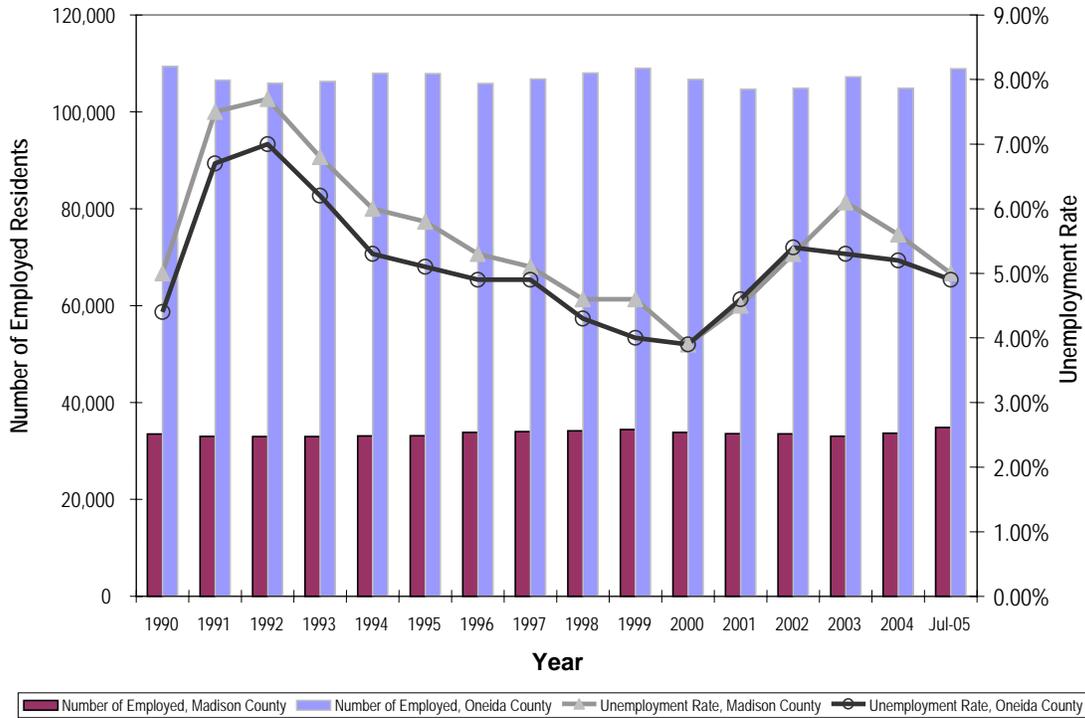
In the past 15 years, the unemployment rate for the two counties has fluctuated, but the number of employed residents has remained fairly steady (see Figures 3.7-4 and 3.7-5). The unemployment rate, as reported by the Bureau of Labor Statistics (BLS), is calculated by dividing the number of unemployed (residents who are available to work and are actively looking for a job) by the labor force (the sum of all employed age 16+ residents and all unemployment age 16+ residents). The unemployment rates of Madison and Oneida County track very closely with the overall unemployment rate of New York State (non-New York City) and of the United States, although Madison County's unemployment rate has been persistently higher than New York State (excluding New York City). The same is true for Oneida County, with the exception of the brief periods from 1992-95 and 1999. While the unemployment rate of New York State (non-New York City) and Oneida County have been lower than the U.S. unemployment rate throughout the 1990-2004 period, according to Greater Syracuse Economic Growth Council Resource Center (no date) Madison County's unemployment rate exceeded the U.S. rate in 1991-92, 1995 and 1997-1999.

**Table 3.7-12  
Top 15 Employers, Ranked by Full-Time Equivalent Employees  
Madison, Oneida and Onondaga Counties, 2005**

	<b>Company</b>	<b>County</b>	<b>Employees 2005</b>	<b>% Change from Previous Year</b>	<b>2005 Revenue/Sales (\$ millions)</b>	<b>Nature of Operations</b>
1	SUNY Upstate Medical University	Onondaga	6,305	+5.0	\$483.7	Health Care, Biomedical Research, and Education
2	<b>The Nation</b>	<b>Oneida/ Madison</b>	<b>4,611</b>	<b>+16.0</b>	<b>NA</b>	Nation Government, Turning Stone Resort & Casino and other Nation Enterprises
3	Syracuse University	Onondaga	4,329	-0.6	NA	Higher Education and Research
4	Magna Drive Train, New Gear Process	Onondaga	3,400	-12.8	NA	Automobile Parts Manufacturer
5	St. Joseph's Hospital Health Center	Onondaga	2,919	--11.5	\$352.0	Health Care
**6	New Process Gear Division, New Venture Gear, Inc.	Onondaga	3,900	--	\$1,700.0	Automobile Parts Manufacturer
7	Faxton-St. Luke's Healthcare	Oneida	2,650	-	\$250.0	Health Care
8	Verizon Communications	Onondaga	2,600	+4.0	\$71,300.0 (2004, Company- wide)	Telecommunications
9	The Penn Traffic Co./ P&C Foods	Onondaga	2,500		NA	Supermarket and Wholesale Food Distribution
10	Lockheed Martin	Onondaga	2,350	-4.0	\$35,526.0 (2004, Company-wide)	Design and Development of Sensors
11	National Grid	Onondaga	2,010	-4.3	NA	Energy
12	Loretto	Onondaga	1,918	+37.0	\$60-\$80	Elder-care Services
13	Crouse Hospital	Onondaga	1,800	+1.6	NA	Health Care
14	St. Elizabeth Medical Center	Oneida	1,621	+5.5	\$166.6	Health Care
15	Upstate Cerebral Palsy	Oneida	1,600	+15.0	NA	Human Service Agency

Source: Central New York Business Journal rankings - 2006 Book of Lists; The Louis Berger Group, Inc., 2006.

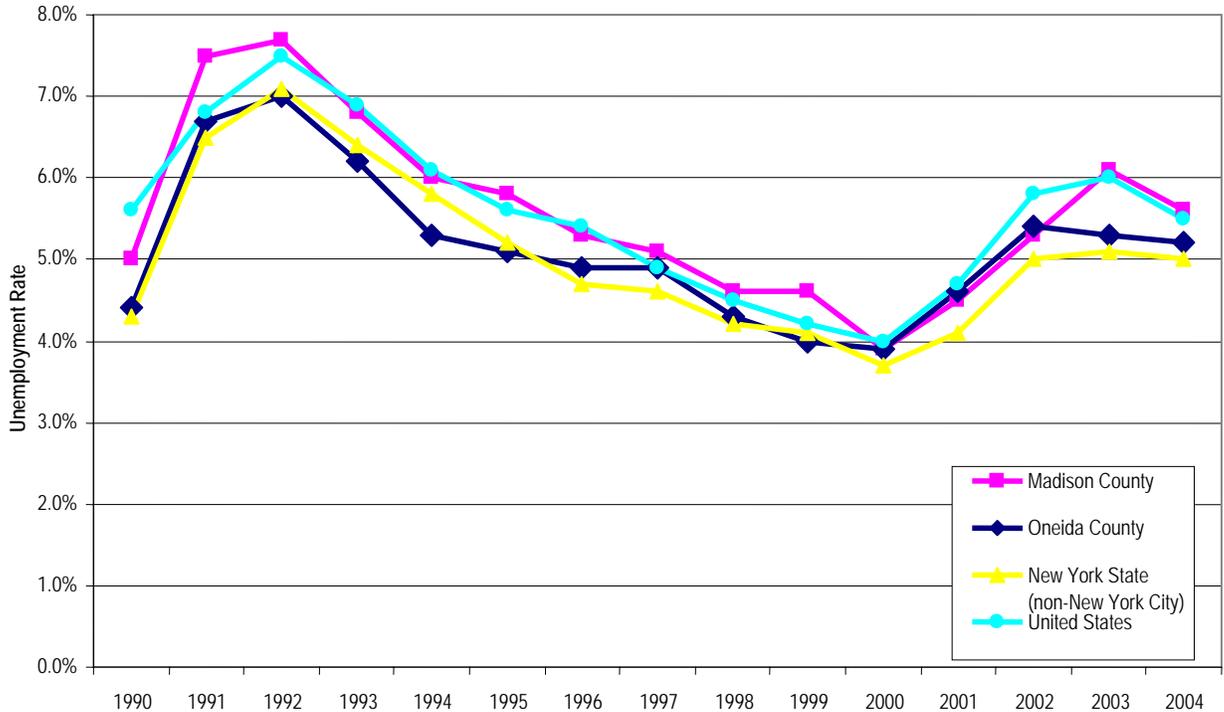
**Figure 3.7-4  
Employed Residents and Unemployment Rate  
Madison and Oneida Counties, 1990-2004**



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics

While a portion of the employed residents in Madison and Oneida County probably holds jobs that are inadequate with respect to their training or economic needs, there is no uniform state or federal data source that tracks underemployment. A workforce audit of Central New York, conducted by The Pathfinders, a site selection and location analysis consulting firm based in Dallas, Texas, for the Greater Syracuse Economic Growth Council, found that 20 percent of the Central New York workforce consists of underemployed. The study defines underemployed as individuals who indicated that they would take a better job if offered by a new or existing employer and who possess the skills, education, and experience to qualify for a better job. For that study, Central New York was defined as Cayuga, Cortland, Madison, Onondaga, and Oswego Counties.

**Figure 3.7-5  
Unemployment Rate, 1990-2004  
Madison and Oneida Counties,  
New York State (non-New York City), and the United States**



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics and Current Population Survey

### 3.7.1.3 Income and Poverty

#### ***Household and Per Capita Incomes***

When incomes are compared with Upstate New York, Madison County incomes are generally similar, but Oneida County trails these other areas. Table 3.7-13 examines income data reported by the 2000 U.S. Census. Median household income for Madison County in 1999, the most recent year data are available, was \$40,184; average household income was \$51,494; and per capita income was \$19,105. In Oneida County for the same time period, the median household income was \$35,909; average household income was \$46,367; and per capita income was \$18,516.

**Table 3.7-13  
Comparison of Household and Per Capita Incomes  
Madison County, Oneida County, and Upstate New York, 1999**

	Median Household Income	Average Household Income	Per Capita Income	Index in Comparison to Upstate New York	
				Average Household Income	Per Capita Income
Madison County	\$40,184	\$51,494	\$19,105	103	98
Oneida County	\$35,909	\$46,367	\$18,516	93	95
Upstate New York*		\$49,910	\$19,406	100	100

Note \*Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties)  
The index was derived by multiplying the ratio between county income and Upstate New York income with 100.  
Source: U.S. Census Bureau, Census 2000, Summary File 3

A more detailed analysis reveals the variations in income across the respective municipalities. Below, Table 3.7-14 shows the 1999 median and average household and per capita income for the residents of the municipalities where the Nation currently owns land. Median household incomes range from a high of \$57,232 in Cazenovia to a low of \$33,274 in Augusta. Only Cazenovia residents report substantially higher household or per capita income than in Upstate New York. Cazenovia’s average household income is 59 percent higher than Upstate New York’s average while its per capita income exceeds Upstate New York’s by 49 percent. By comparison, some municipalities, such as Augusta, Smithfield, Lenox, and Stockbridge, exhibit significantly lower average household incomes than Upstate New York.

Income data has also been compiled from the 1990 Census for comparison purposes (see Table 3.7-15). In several of the municipalities where the Nation owns land, average household income increased from 1989 to 1999 at a higher rate than in Upstate New York as a whole (see Table 3.7-16). In 1989, average household income in the City of Oneida equaled 83 percent of average household income in Upstate New York, while the City of Oneida’s average household income was 93 percent of the Upstate New York’s average in 1999. Sherrill’s average household income was the same as that of Upstate New York in 1989 and increased faster than Upstate New York between 1989 and 1999. Similar positive trends in average household income, albeit more modest in size, can be seen in Stockbridge, Smithfield, Sullivan, and Lincoln over the decade. Average household income in the other Study Area municipalities grew at a rate that was similar to that in Upstate New York as a whole, with the exception of the Town of Vienna, which experienced a significant decrease in average household income relative to Upstate New York but was also not a prime residential settlement location for Nation employees.

Per capita income in Stockbridge and the City of Oneida increased faster than in Upstate New York as a whole between 1989 and 1999. Lincoln, Sullivan, Sherrill, Augusta and

Smithfield also experienced a significantly faster increase in per capita income than Upstate New York. None of the Study Area municipalities experienced a decrease in per capita income relative to Upstate New York's per capita income.

Of the Nation's total 4,611 employees in 2005, 4001 lived in Madison and Oneida Counties. A total of 1,809 Nation employees lived in Study Area municipalities, including 650 employees in the City of Oneida, 151 in the City of Sherrill, and 94 in Stockbridge. (See Section 3.7.5.3 for more information on the place of residence of Nation employees.)

**Table 3.7-14  
Income in Study Area Municipalities, 1999**

	Municipality	Median household income in 1999	Average Household Income 1999	Per capita income in 1999	Index in Comparison to Upstate New York	
					Average Household Income	Per capita Household Income
Madison County	Cazenovia town	\$57,232	\$79,195	\$28,957	159	149
	Fenner town	\$43,846	\$53,135	\$19,409	106	100
	Lenox town	\$38,491	\$43,033	\$17,398	86	90
	Lincoln town	\$46,023	\$56,940	\$20,751	114	107
	City of Oneida	\$35,365	\$46,400	\$18,966	93	98
	Smithfield town	\$35,109	\$42,771	\$14,860	86	77
	Stockbridge town	\$37,700	\$44,505	\$15,856	89	82
	Sullivan town	\$44,468	\$55,153	\$20,982	111	108
Oneida County	Augusta town	\$33,274	\$42,215	\$16,367	85	84
	The City of Sherrill	\$48,919	\$54,918	\$22,311	110	115
	Vernon town	\$38,339	\$49,151	\$19,523	98	101
	Verona town	\$42,745	\$47,437	\$18,017	95	93
	Vienna town **	\$36,250	\$45,984	\$17,195	92	89
Upstate New York*			\$49,910	\$19,406	100	100

Source: U.S. Census Bureau, Census 2000, Summary File 3

Notes: \*Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties); Income reported in 1999 dollars. \*\* The Nation owns land in the Village of Sylvan Beach, which is located in the Town of Vienna. The index was derived by multiplying the ratio between county income and Upstate New York income with 100.

**Table 3.7-15  
Income in Study Area Municipalities, 1989**

	Municipality	Average Household Income in 1989	Per capita income in 1989	Index in Comparison to Upstate New York 1989	
				Average Household Income	Per Capita Income
Madison County	Cazenovia town	\$56,797	\$19,684	160	149
	Fenner town	\$38,069	\$12,780	107	97
	Lenox town	\$30,376	\$11,511	86	87
	Lincoln town	\$38,439	\$13,133	109	99
	City of Oneida	\$29,324	\$11,637	83	88
	Smithfield town	\$27,896	\$9,594	79	73
	Stockbridge town	\$28,862	\$9,694	81	73
	Sullivan town	\$37,245	\$13,222	105	100
Oneida County	Augusta town	\$29,879	\$10,425	84	79
	City of Sherrill	\$35,532	\$14,081	100	106
	Vernon town	\$33,833	\$12,632	96	95
	Verona town	\$34,396	\$11,665	97	88
	Vienna town **	\$34,713	\$11,606	98	88
Upstate New York*		\$35,424	\$13,231	100	100

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 3.  
 Note: \*Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties). Income reported in 1989 Dollars. \*\* The Nation owns land in the Village of Sylvan Beach , which is located in the Town of Vienna.  
 The index was derived by multiplying the ratio between county income and Upstate New York income with 100.

**Table 3.7-16**  
**Income in Study Area Municipalities, 1989 and 1999**  
**Comparison of Income Trends by Municipality with Upstate New York**

	Municipality	Index in Comparison to Upstate New York 1989		Index in Comparison to Upstate New York 1999		Percent Change in Index 1989-1999	
		Average household Income	Per Capita Income	Average household Income	Per Capita Income	Average household Income	Per Capita Income
Madison County	Cazenovia town	160	149	159	149	-1%	0%
	Fenner town	107	97	106	100	-1%	4%
	Lenox town	86	87	86	90	1%	3%
	Lincoln town	109	99	114	107	5%	8%
	City of Oneida	83	88	93	98	12%	11%
	Smithfield town	79	73	86	77	9%	6%
	Stockbridge town	81	73	89	82	9%	12%
	Sullivan town	105	100	111	108	5%	8%
Oneida County	Augusta town	84	79	85	84	0%	7%
	City of Sherrill	100	106	110	115	10%	8%
	Vernon town	96	95	98	101	3%	5%
	Verona town	97	88	95	93	-2%	5%
	Vienna town **	98	88	92	89	-6%	1%
Upstate New York*		100	100	100	100	0%	0%

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File; Census 2000, Summary File 3.

Note: \*Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties) \*\* The Nation owns lands in the Village of Sylvan Beach, which is located in the Town of Vienna

The index was derived by multiplying the ratio between county income and Upstate New York income with 100.

### **Personal Current Transfer Receipts**

The region's economic base has increasingly become dependent upon personal current transfer receipts as a source of personal income for its residents. Personal current transfer receipts are a component of personal income which is the income that is received by all persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance. The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, estimates of personal income are presented by the place of residence of

the income recipients. Personal current transfer receipts are made to persons for which no current services are performed. Transfer receipts include government payments to individuals for retirement and disability insurance benefits, medical payments (mainly Medicare and Medicaid), income maintenance benefits, unemployment insurance benefits, veterans' benefits, and federal grants and loans to students. Transfer receipts are payments to individuals and to nonprofit institutions by federal, state, and local governments and by businesses. Government payments to nonprofit institutions exclude payments by the federal government for work under research and development contracts. Business payments to persons consist primarily of liability payments for personal injury and of corporate gifts to nonprofit institutions.

Table 3.7-17 compares the portion of personal income that comes from personal current transfer receipts and indexes these patterns and trends with New York State over the 1990 to 2003 time period. The data illustrates that Madison and Oneida Counties have drawn an increasing share of their personal income from transfer receipts and by 2003 both counties were receiving a larger share than the New York state average.

Figure 3.7-6 takes a closer look at the trends for a sub-segment of personal current transfer receipts – namely, income maintenance, medical benefits and unemployment insurance benefits. The figure compares recent trends for these select transfer receipts on a per capita basis for Oneida and Madison Counties, New York State and the United States over the 1990-2004. The first graph displays trends in per capita select transfer receipts in nominal dollars and illustrates that this category of spending rose significantly. However, the second graph controls for inflation by indexing per capita spending to the United States (United State equals 100). Thus, an index amount that exceeds 100 indicates that the area receives a greater amount of per capita transfer receipts than the United States. The two graphs together illustrate that New York State (which includes New York City) has consistently required more in transfer payments per capita than the average for the United States with an index that exceeded 160 for the entire period. Over the subject 1990-2004 time period, Oneida County's need for such transfer payments widened vis-à-vis U.S. spending, rising from an index of 118 in 1990 to 138 by 2004. Madison County, which had required somewhat less than the United States' average in 1990 (83) matched the national average for per capita transfer payments by 2004.

#### ***Transfer Payments and Unemployment in Oneida and Madison Counties***

An analysis of the relationship between per capita transfer payments (in 2004 dollars) and the rate of unemployment was conducted for Oneida and Madison counties for the years 1990 through 2004. A full discussion of this econometric analysis is in Appendix E.

In the first model, transfers are defined as the sum of income maintenance, public assistance medical care benefits, and unemployment compensation.

Table 3.7-18 reveals an inelastic relationship between transfer payments and the rate of unemployment. It indicates that a 10 percent increase in the rate of unemployment in Oneida and Madison Counties yields a 2.8 percent increase in transfer payments to individuals.

A second model excludes unemployment compensation from the dependent variable such that transfers are composed solely of per capita income maintenance spending and public assistance medical care benefits. The estimated elasticity is 0.126 such that a 10 percent increase in the rate of unemployment results in a 1.3 percent increase in income maintenance and public assistance medical care payments per capita. When compared with the first model, the elasticity indicates that more than half of the relationship between transfers and the rate of unemployment is accounted for by unemployment compensation.

In the third model, unemployment compensation is regressed directly on the unemployment rate. The relationship is positive and strong as expected. The coefficient on the rate of unemployment rises sharply to 1.68, indicating that a 10 percent increase in the unemployment rate raises compensation payments by 16.8 percent. This result is important because it indicates that unemployment compensation payments rise disproportionately with the rate of unemployment.

The application of the estimated models to simulated Oneida and Madison County unemployment and actual transfer payments for 2004 is presented in Table 3.7-18. Transfer payments include the results of Model 1 with transfers composed of income maintenance, public assistance medical care benefits and unemployment insurance. The simulation suggests for example that a change in the unemployment rate from the current 5.5 percent to 6.5 percent will raise transfer payments as defined in the model by \$37.9 million or 5.1 percent higher than the current \$736.0 million. This figure includes the elasticity of 0.283 plus a constant term.

Each model makes clear that any increase in unemployment in Oneida and Madison Counties will unequivocally increase the fiscal burdens of local, state and federal governments.

**Table 3.7-17  
Personal Current Transfer Receipts Trends, 1990-2003  
Madison, Oneida, and Onondaga Counties**

	1990			2003		
	Madison County	Oneida County	New York State	Madison County	Oneida County	New York State
Personal Income	\$1,149,231	\$4,237,454	\$423,896,642	\$1,815,850	\$5,888,829	\$693,791,440
Population	69,300	251,191	18,020,784	70,725	234,368	19,212,425
Per Capita Personal Income (dollars)	\$16,583	\$16,869	\$23,523	\$25,839	\$25,126	\$36,112
Per Capita Income - Index to New York State = 100	70%	72%	100%	72%	70%	100%
Personal Current Transfer Receipts	\$146,959	\$720,009	\$58,069,273	\$326,360	\$1,415,109	\$121,721,940
Personal Current Transfer Receipts Per Capita	\$2,121	\$2,866	\$3,222	\$4,614	\$6,038	\$6,336
as Percent of Personal Income	12.8%	17.0%	13.7%	18.0%	24.0%	17.5%
Percent of Personal Income - Index to New York State = 100	93.3%	124.0%	100.0%	102.4%	137.0%	100.0%

Source: Bureau of Economic Analysis, Regional Economic Accounts, 2006.

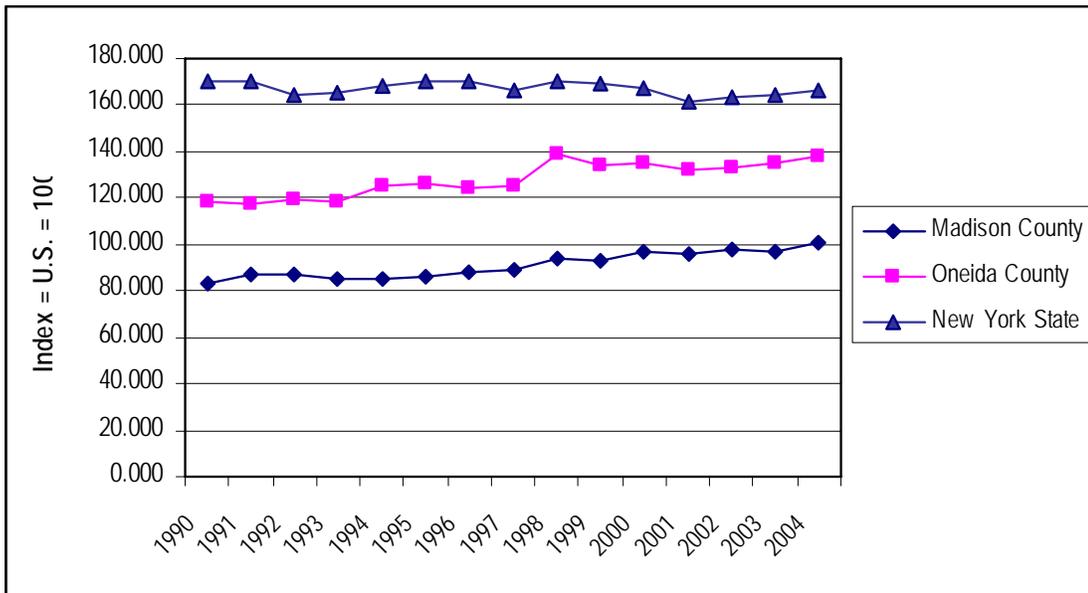
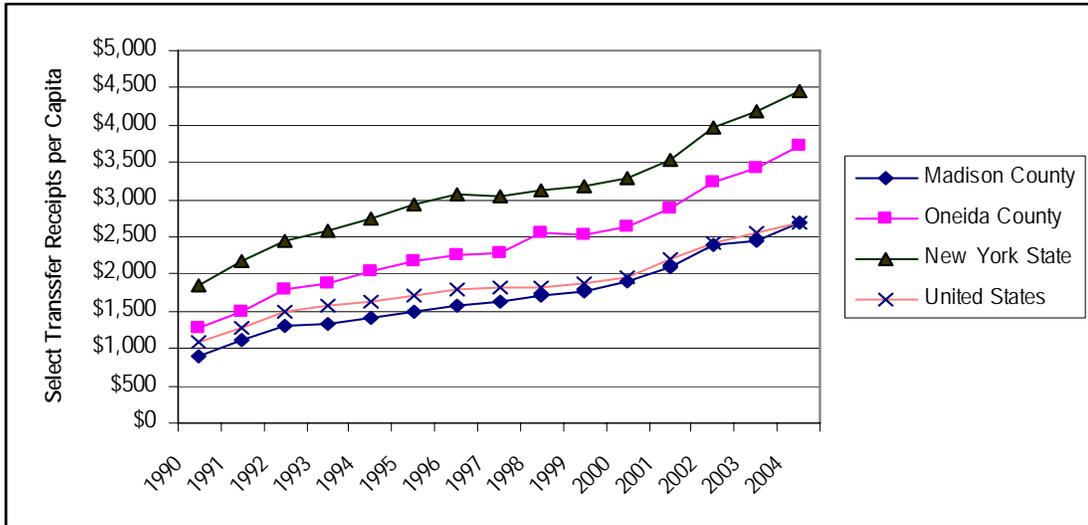
Notes: This component of personal income is payments to persons for which no current services are performed. It consists of payments to individuals and to nonprofit institutions by Federal, state, and local governments and by businesses.

Government payments to individuals includes retirement and disability insurance benefits, medical payments (mainly Medicare and Medicaid), income maintenance benefits, unemployment insurance benefits, veterans benefits, and Federal grants and loans to students. Government payments to nonprofit institutions exclude payments by the Federal Government for work under research and development contracts. Business payments to persons consist primarily of liability payments for personal injury and of corporate gifts to nonprofit institutions.

All state and local area dollar estimates are in current dollars (not adjusted for inflation).

Population estimates based on mid-year Census estimates.

**Figure 3.7-6**  
**Select Transfer Receipts, 1990-2004**  
**Madison and Oneida Counties**  
**New York State (non-New York City), and the United States**



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, 2006.

**Table 3.7-18**  
**Analysis of Relationship between Transfer Payments and Unemployment**

Model 1: Dependent Variables – Income Maintenance, Public Assistance Medical Care Benefits, and Unemployment Compensation

Unemployment Rate	Simulated Outlays/Capita	Percent Simulated Change	Transfer Payments Model Outlays (\$ 000's)	Difference (\$ 000's)	Percent
5.5%	\$2,413	0.0%	736,048	0	NA
6.5%	\$2,537	5.1%	773,921	37,873	5.1%
7.5%	\$2,648	4.4%	807,616	71,568	9.7%
8.5%	\$2,748	3.8%	838,090	102,042	13.9%
9.5%	\$2,839	3.3%	865,994	129,946	17.7%
10.5%	\$2,924	3.0%	891,791	155,743	21.2%

Model 2: Dependent Variables – Income Maintenance and Public Assistance Medical Care Benefits

Unemployment Rate	Simulated Outlays/Capita	Percent Simulated Change	Transfer Payments Model Outlays (\$ 000's)	Difference (\$ 000's)	Percent
5.5%	\$2,296	0.0%	700,151	0	NA
6.0%	\$2,322	1.1%	708,171	8,020	1.1%
7.0%	\$2,371	2.1%	723,043	22,892	3.3%
8.0%	\$2,413	1.8%	736,057	35,906	5.1%
9.0%	\$2,451	1.6%	747,650	47,499	6.8%
10.0%	\$2,486	1.4%	758,117	57,966	8.3%

Model 3: Dependent Variable – Unemployment Compensation

Unemployment Rate	Simulated Outlays/Capita	Percent Simulated Change	Transfer Payments Model Outlays (\$ 000's)	Difference (\$ 000's)	Percent
5.0%	\$118	0.0%	35,897	0	NA
5.5%	\$137	16.8%	41,928	6,031	16.8%
6.5%	\$179	30.5%	54,735	18,838	52.5%
7.5%	\$226	25.8%	68,882	32,985	91.9%
8.5%	\$276	22.4%	84,311	48,414	134.9%
9.5%	\$331	19.8%	100,975	65,078	181.3%
10.5%	\$390	17.7%	118,831	82,934	231.0%

**Poverty and Public Assistance**

Poverty levels vary according to family size and age of the family members. In 1999 the poverty level for a family consisting of two adults and two children was \$16,895. Based on the 2000 Census, 9.9 percent of Madison County and 13.0 percent of Oneida County's population had annual incomes below the poverty level in 1999.

Sherrill had the lowest percentage of persons living below the poverty level; only 2.2 percent of its residents earn less than the poverty level. In contrast, in Smithfield, 16 percent, or four in 25 residents, lived below the poverty level (see Table 3.7-19). In New York State, excluding New York City, 9.7 percent of residents live below the poverty level.

According to the U.S. Bureau of Census, a small percentage of households in Madison County (2.0 percent) and in Oneida County (4.1 percent) reported that they receive public assistance income. In New York State, excluding New York City, 2.9 percent of residents receive public assistance. Public assistance income, as defined by the U.S. Census Bureau, includes general assistance and Temporary Assistance to Needy Families (TANF). Separate payments received for hospital or other medical care (vendor payments) is excluded and public assistance income does not include Supplemental Security Income (SSI).

Table 3.7-20 details the percentage of households in municipalities with Nation lands that receive public assistance income.

In Oneida County, all the municipalities where the Nation owns land have a smaller percentage of households receiving public assistance income than the county and state. In the case of Madison County, three of the municipalities of the eight where the Nation owns land - Lenox, Lincoln, and the City of Oneida—have a higher percentage receiving public assistance income than the county average; however, only Lenox is higher than the state percentage.

**Table 3.7-19**  
**Percentage of Population below Poverty Level, 1999**  
**Study Area Municipalities**

	<b>Municipality</b>	<b>Percent of Population with Income Below Poverty Level</b>
Madison County	Cazenovia town	4.3%
	Fenner town	7.1%
	Lenox town	10.6%
	Lincoln town	5.1%
	Oneida city	12.5%
	Smithfield town	16.2%
	Stockbridge town	12.9%
	Sullivan town	7.0%
Oneida County	Augusta town	8.6%
	City of Sherrill	2.2%
	Vernon town	9.8%
	Verona town	5.7%
	Vienna town **	8.3%
New York State (non New York City)		9.7%

Source: U.S. Census Bureau, Census 2000, Summary File 3 \*\*The Nation owns land in the Village of Sylvan Beach which is located in the Town of Vienna.

**Table 3.7-20**  
**Percentage of Households Receiving Public Assistance Income, 2000**  
**Study Area Municipalities**

		<b>Percentage of Households Receiving Public Assistance Income</b>
Madison County	Cazenovia town	0.9%
	Fenner town	0.5%
	Lenox town	3.8%
	Lincoln town	2.1%
	City of Oneida	2.8%
	Smithfield town	1.0%
	Stockbridge town	1.9%
	Sullivan town	1.2%
	<b>Madison County</b>	2.0%
Oneida County	Augusta town	2.4%
	City of Sherrill	2.2%
	Vernon town	1.2%
	Verona town	1.0%
	Vienna town **	2.4%
	<b>Oneida County</b>	4.1%
New York State (non New York City)		2.9%

Source: U.S. Census Bureau, Census 2000, Summary File 3 \*\*The Nation owns land in the Village of Sylvan Beach, which is located in the Town of Vienna

### 3.7.2 Demographic Trends

#### 3.7.2.1 Population Trends and Projections

In general, the population of the constituent counties in central New York State has remained stable or declined in the past fifteen years. According to the U.S. Census, Madison County had a population of 69,441 in the year 2000, only a 0.05 percent average annual increase from its 1990 population. Even with this relatively stable population, Madison County still ranks higher than more than half of the counties in Central New York in terms of population growth (see Table 3.7-21). Madison County's estimated population grew to 70,407 in 2004, a 0.35 average annual percent increase. The population of Oneida County is significantly larger than Madison County, with a year 2000 estimated population of 235,469 persons. Between 1990 and 2000, the population of Oneida County decreased at an average annual rate of 0.61 percent, a faster declining rate than that of any other county in Central New York. The U.S. Census estimates a population of 234,962 persons in Oneida County in 2004, which corresponds to a small average annual decrease of 0.05 percent since 2000.

**Table 3.7-21  
Population Change, 1990-2004  
Central New York Counties**

County	Population Count			Average Annual Population Change	
	1990	2000	2004	90-00	00-04
Otsego	60,517	61,676	62,518	0.19%	0.34%
Hamilton	5,279	5,379	5,227	0.19%	-0.71%
Fulton	54,191	55,073	55,463	0.16%	0.18%
Lewis	26,796	26,944	26,564	0.06%	-0.35%
Oswego	121,771	122,377	123,776	0.05%	0.29%
<b>Madison</b>	<b>69,120</b>	<b>69,441</b>	<b>70,407</b>	<b>0.05%</b>	<b>0.35%</b>
Cortland	48,963	48,599	49,006	-0.07%	0.21%
Chenango	51,768	51,401	51,861	-0.07%	0.22%
Schoharie	31,859	31,582	32,012	-0.09%	0.34%
Tioga	52,337	51,784	51,535	-0.11%	-0.12%
Herkimer	65,797	64,427	63,858	-0.21%	-0.22%
Onondaga	468,973	458,336	459,805	-0.23%	0.08%
Montgomery	51,981	49,708	49,283	-0.44%	-0.21%
Broome	212,160	200,536	197,696	-0.55%	-0.35%
<b>Oneida</b>	<b>250,836</b>	<b>235,469</b>	<b>234,962</b>	<b>-0.61%</b>	<b>-0.05%</b>

Source: U.S. Census Bureau, Census 2000, Summary File 1

Municipalities where the Nation owns land have small populations. But with the exception of two communities—Fenner and Augusta—all municipalities where the Nation owns land exhibited population growth since 1990 (see Table 3.7-22).

Between 1990 and 2000, the population of the Towns of Smithfield, Lincoln, Stockbridge, Sullivan, and of the City of Oneida (all located in Madison County) increased at a higher rate than for Madison County as a whole. Similarly, municipalities in Oneida County that have Nation land holdings did not experience the same population decline between 1990 and 2000 as the County as a whole. In fact, annual population in the City of Sherrill and the Town of Vienna increased at an average annual rate of 0.99 and 0.46 percent, respectively. Only the Town of Augusta experienced a population decline between 1990 and 2000 that was similar to, albeit still lower than, Oneida County as a whole.

Between 2000 and 2004, population growth in the Towns of Cazenovia, Lincoln, and Lenox outpaced that of Madison County as a whole while the population remained relatively stable in the City of Oneida and in the Towns of Fenner and Stockbridge. With the exception of Sherrill, which actually experienced a high population growth in the 1990s, population was estimated to have increased in all of the Study Area municipalities in Oneida County.

**Table 3.7-22  
Population of Study Area Municipalities,  
1990, 2000, and 2004**

		Population Count			Average Annual Population Change		Population Per Square Mile
		1990	2000	2004 (Estimate)	90-00	00-04	
Madison County	Cazenovia	6,514	6,481	6,762	-0.05%	1.08%	129.9
	Fenner	1,694	1,680	1,680	-0.08%	0.00%	54
	Lenox	8,621	8,665	8,844	0.05%	0.52%	238
	Lincoln	1,669	1,818	1,875	0.89%	0.78%	72.8
	City of Oneida	10,850	10,987	10,977	0.13%	-0.02%	498.7
	Smithfield	1,053	1,204	1,225	1.43%	0.44%	49.5
	Stockbridge	1,968	2,092	2,097	0.63%	0.06%	65.7
	Sullivan	14,607	14,991	15,172	0.26%	0.30%	204.3
	<b>Madison County</b>	<b>69,120</b>	<b>69,441</b>	<b>70,407</b>	<b>0.05%</b>	<b>0.35%</b>	
Oneida County	Augusta	2,070	1,966	1,975	-0.50%	0.11%	70.9
	City of Sherrill	2,864	3,147	3,126	0.99%	-0.17%	1554.6
	Vernon	5,338	5,335	5,438	-0.01%	0.48%	139.9
	Verona	6,460	6,425	6,519	-0.05%	0.37%	92.7
	Vienna *	5,564	5,819	5,874	0.46%	0.24%	94.7
	<b>Oneida County</b>	<b>250,836</b>	<b>235,469</b>	<b>234,962</b>	<b>0.61%</b>	<b>-0.05%</b>	

Source: U.S. Census Bureau, Census 2000, Summary File 1. \* The Nation owns land in the Village of Sylvan Beach, which is located in the Town of Vienna.

The Cornell Institute for Social and Economic Research (CISER) maintains the New York Statistical Information System and a web site that is devoted to demographic analysis and

training tailored to the needs of government and nonprofit agencies, local planning offices, and businesses in New York State. Funding for this program is provided by Cornell University, the New York State Department of Economic Development, and user fees. CISER has prepared population projections for New York State counties and municipalities. CISER projected that the population in Madison County will decrease to 68,895 persons in 2030, which corresponds to an average annual decline of 0.03 percent between 2000 and 2030. For Oneida County, projections show a 0.12 percent average annual decrease in that same time period and a population of 226,702 persons in 2030. The average annual projected population decline between 2000 and 2030 for Upstate New York is 0.19 percent. CISER’s population projections are shown in Table 3.7-.23.

**Table 3.7-23  
Population Projections  
Madison and Oneida Counties and Upstate New York 2000-2030**

	2000-05	2005-10	2010-15	2015-20	2020-25	2025-30	2000-30
<b>Average Annual Population Change due to Births</b>							
Madison County	1.26%	1.32%	1.37%	1.37%	1.36%	1.36%	<b>1.34%</b>
Oneida County	1.18%	1.21%	1.23%	1.21%	1.18%	1.17%	<b>1.18%</b>
Upstate New York	1.20%	1.20%	1.22%	1.20%	1.18%	1.17%	<b>1.24%</b>
<b>Average Annual Population Change due to Deaths</b>							
Madison County	-0.89%	-0.92%	-0.94%	-0.97%	-1.01%	-1.07%	<b>-0.96%</b>
Oneida County	-1.13%	-1.18%	-1.19%	-1.21%	-1.25%	-1.32%	<b>-1.20%</b>
Upstate New York	-1.00%	-1.05%	-1.09%	-1.12%	-1.18%	-1.26%	<b>-1.16%</b>
<b>Average Annual Population Change due to Net Migration</b>							
Madison County	-0.40%	-0.40%	-0.40%	-0.40%	-0.40%	-0.40%	<b>-0.40%</b>
Oneida County	-0.11%	-0.11%	-0.11%	-0.11%	-0.11%	-0.11%	<b>-0.11%</b>
Upstate New York	-0.27%	-0.26%	-0.26%	-0.26%	-0.25%	-0.25%	<b>-0.27%</b>
<b>Overall Average Annual Population Change</b>							
<b>Madison County</b>	<b>-0.03%</b>	<b>0.00%</b>	<b>0.03%</b>	<b>0.00%</b>	<b>-0.05%</b>	<b>-0.11%</b>	<b>-0.03%</b>
<b>Oneida County</b>	<b>-0.06%</b>	<b>-0.08%</b>	<b>-0.08%</b>	<b>-0.10%</b>	<b>-0.17%</b>	<b>-0.26%</b>	<b>-0.12%</b>
<b>Upstate New York</b>	<b>-0.07%</b>	<b>-0.12%</b>	<b>-0.13%</b>	<b>-0.17%</b>	<b>-0.25%</b>	<b>-0.34%</b>	<b>-0.19%</b>

Source: Cornell Institute for Social and Economic Research (CISER), New York Statistical Information System; The Louis Berger Group, Inc.

Note: \* Upstate New York includes New York State with the exception of New York City, Long Island, and the Hudson Valley (Rockland, Dutchess, Orange, Putnam, Sullivan, Ulster, and Westchester Counties).

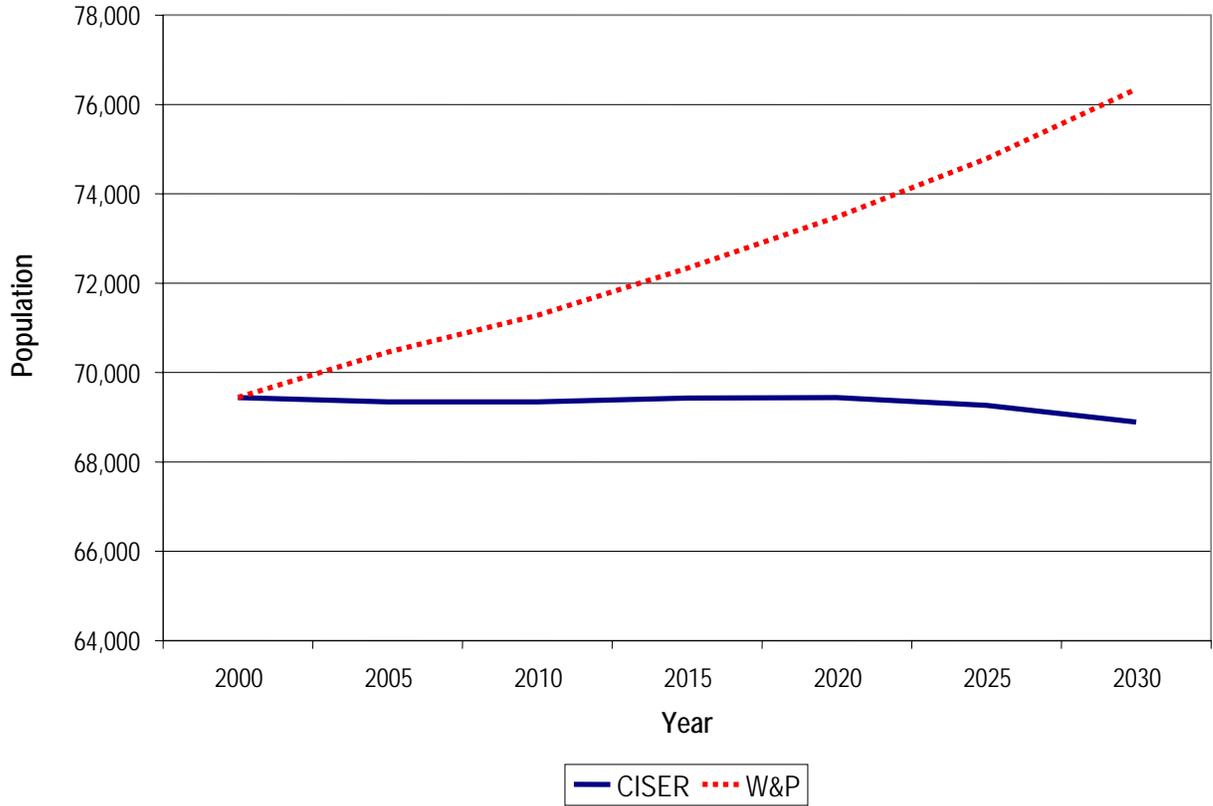
While the CISER projections show a stable or slow growing population for Madison County between 2005 and 2020, during the next decade the projected population decreases. Projections show a constantly declining population in Oneida County, with the decrease accelerating after 2020. Oneida County’s projections include a 0.26 percent average annual population decrease between 2025 and 2030. The projected average annual population decline in Upstate New York exceeds that of Madison and Oneida County in every time period.

Madison County's more favorable population change relative to Oneida County and Upstate New York as a whole can be explained by the age of its population. Having a relatively young population, Madison County has a higher fertility rate and a lower mortality rate than Oneida County and Upstate New York. Madison County, however, faces an average annual population decline due to net out-migration at a rate that exceeds that of both Oneida County and Upstate New York (see Table 3.7-.24). The net migration projections are based on past trends and future major one-time events such as factory closings.

For Oneida County, the CISER population projections include a net out-migration rate that is lower than that of Madison County and of Upstate New York as a whole. Fertility rates in Oneida County are projected to be almost identical to those of Upstate New York while mortality rates in Oneida County are slightly higher due to the Oneida County's relatively large elderly population.

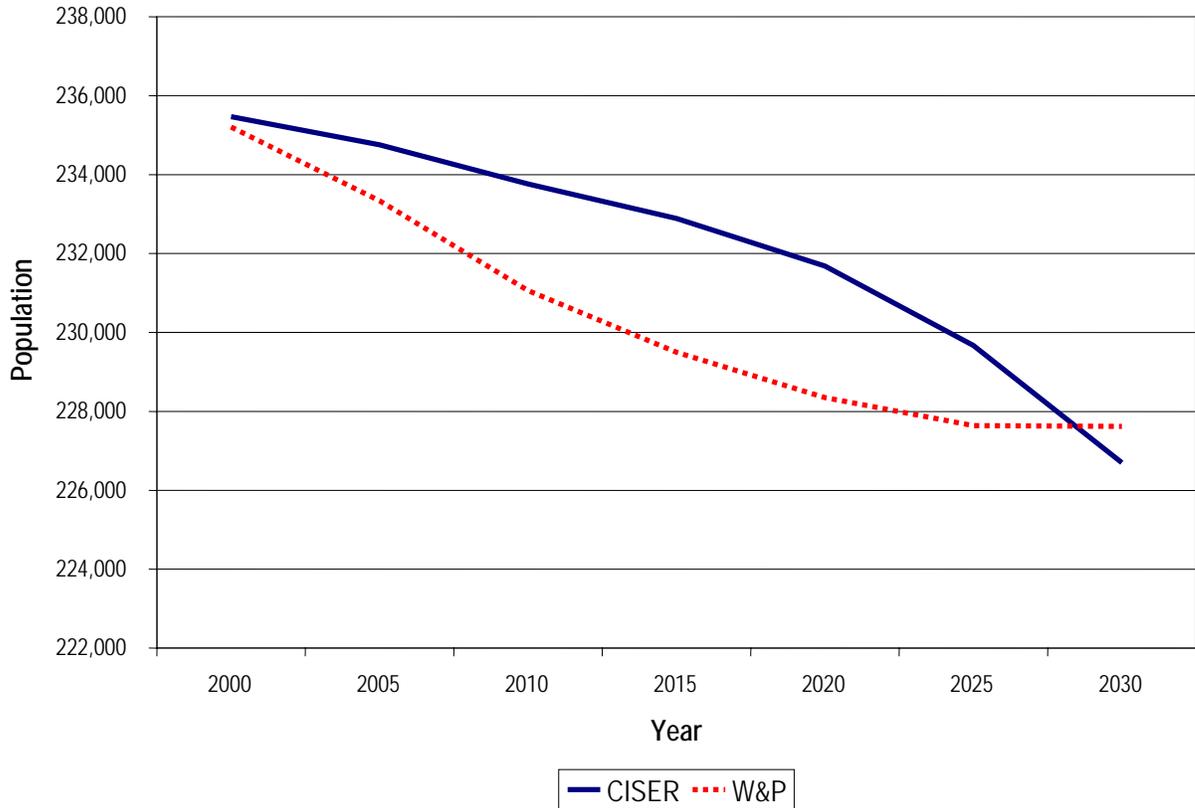
Population projections by Woods and Poole Economics, Inc., present a different picture, especially for Madison County. Woods and Poole projects that the population in Madison County will grow at an average annual rate of 0.33 percent between 2000 and 2030, resulting in a population of 76,350 in 2030, which is 7,455 persons more than CISER's projection (see Figure 3.7-7). The Woods and Poole projection for Oneida County in 2030 is closer to that of CISER, with a projected population in Oneida County of 227,620, which exceeds the CISER projection by only 918 persons (see Figure 3.7-8). The difference between the two projections is likely due to higher projected net migration in the Woods and Poole model based on their more favorable economic outlook for Madison and Oneida County.

**Figure 3.7-7**  
**Projected Population Madison County, 2000-30**  
**Comparison of CISER and Woods and Poole Projections**



Source: Cornell Institute for Social and Economic Research, New York Statistical Information System, Woods & Poole Economics.

**Figure 3.7-8  
Projected Population Oneida County, 2000-30  
Comparison of CISER and Woods and Poole Projections**



Source: Cornell Institute for Social and Economic Research, New York Statistical Information System, Woods & Poole Economics, 2005.

As with many areas of upstate New York and the industrial Northeastern U.S. as a whole, Oneida and Madison counties have experienced yearly declines in the number of households and overall population over the last 15 to 25 years. Records of tax return filings with the Internal Revenue Service (IRS) indicate that since 1990, this net decline has averaged 1,300 households or over 1 percent of the region’s total households per year. Oneida County accounts for more than 90 percent of the net loss in households, with an average loss of 1,200 per year.

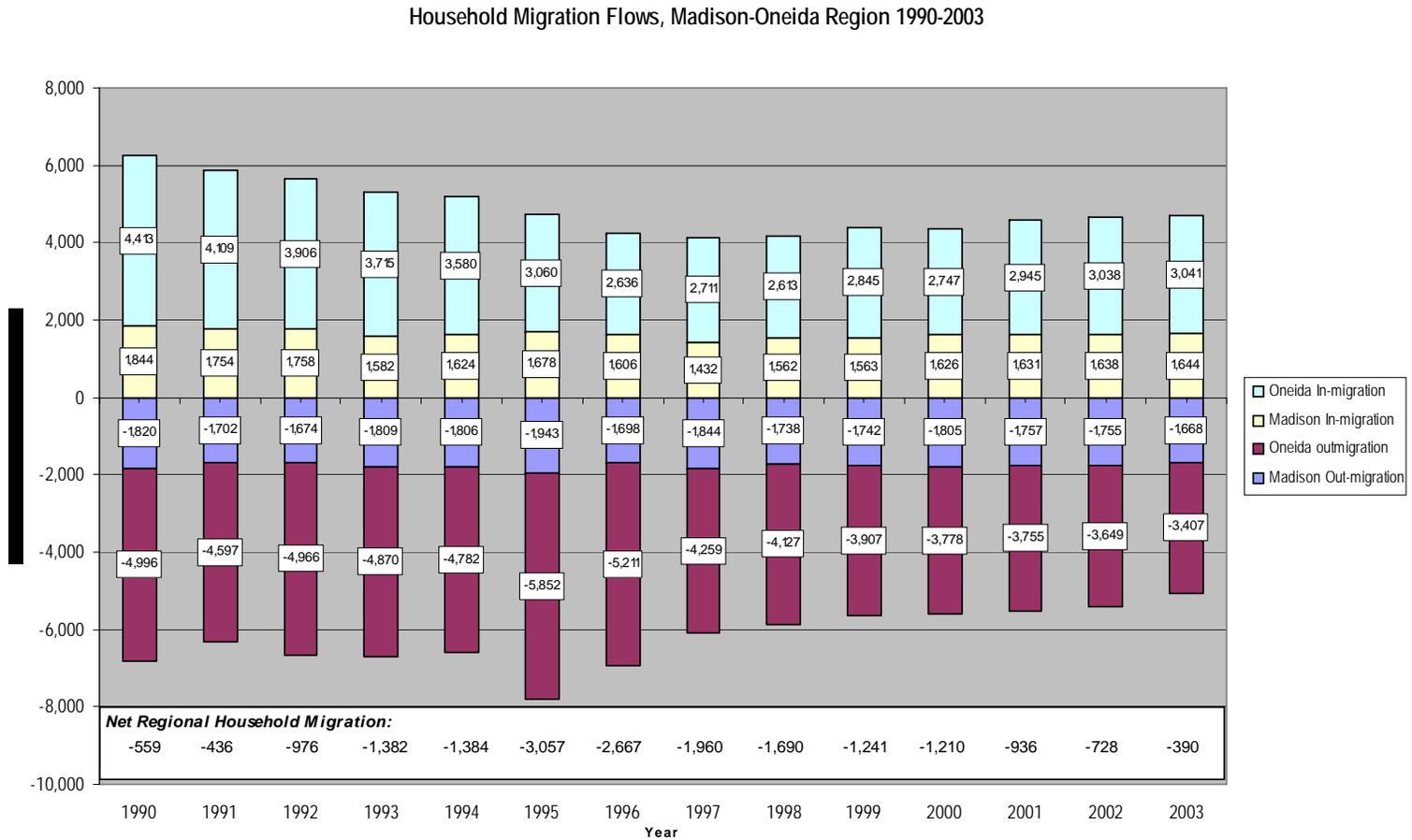
Figure 3.7-9 depicts the annual trends in household migration flows for the region from 1990 to 2003. During this period, Madison County saw a steady rate of in-migrating households (averaging 1,600 per year) and out-migrating households (averaging 1,770 per year). Oneida County, however, experienced significant changes in household flows during this period. In-migrating households, which amounted to over 4,000 per year in

1990 and 1991 declined to a low of 2,600 in 1996. During that same period, outflows of households averaged over 5,000 per year increasing to a high of 5,800 in 1995. Overall for the region, net losses in households which amounted to nearly 560 at the beginning of the decade increased to over 3,000 by 1995. This correlates closely with the closing of Griffiss Air Force Base and the loss of jobs in the region beginning in 1993. Since the mid-1990s the net loss in households has abated, falling below 1,000 in 2001 and amounting to a net outflow of 390 households in 2003.

Nearly half of the departing households relocated to other counties in New York State, these counties, in turn, were also the source of most in-migrating households. Outside of New York the destination for most departing households was the southern region of the nation. Table 3.7-24 details the flow of households to and from the Oneida-Madison Region as estimated by the IRS for the years 1990 to 2003.

The net loss in households in the Oneida-Madison Region has also meant a net decline total income earned by resident households. Table 3.7-25 provides a summary of the balance of aggregate annual income in the region for the 10 most recent years tracked by the IRS. During that period, from 1993 to 2003 income of households that left the region each year amounted to over \$186 million. Income of the smaller number of households moving to the region totaled to just under \$137 million per year, leaving an annual shortfall of nearly \$50 million dollars or nearly half of one billion dollars over the ten-year period, an average of over \$26,000 per household lost.

**Figure 3.7-9  
Trends in Household Migration, 1990-2003**



Source: U.S. Internal Revenue Service Statistics of Income Division County-to-County Migration Flow Data; The Louis Berger Group, 2006. Note: Number of households estimated from tax returns filed for each calendar

**Table 3.7-24  
Migration Flow Patterns, Madison and Oneida Counties, 1990-2003**

To/From:	Out-migrating Households	In-migrating Households	Net Migration
Other New York Counties	(36,590)	33,486	(3,104)
Northeast Region	(8,457)	6,210	(2,247)
Midwest Region	(4,375)	3,054	(1,321)
South Region	(19,623)	9,443	(10,180)
West Region	(6,213)	3,910	(2,303)
Outside U.S.	(1,962)	2,501	539
<b>Total</b>	<b>(77,220)</b>	<b>58,604</b>	<b>(18,616)</b>
<b>Non-Migrants*</b>			106,589

Source: U.S. Internal Revenue Service Statistics of Income Division County-to-County Migration Flow Data; The Louis Berger Group, 2006.

Note: Number of households estimated from tax returns filed for each calendar year.

\* Average annual base of Non-Migrant households from 1990-2003

**Table 3.7-25  
Aggregate Annual Income - Migrating Households,  
Madison and Oneida Counties, 1993-2003  
Year 2000 U.S. Dollars in Thousands**

To/From:	Out-migrating Households	In-migrating Households	Net Change
Other New York Counties	(\$83,303)	\$79,767	(\$3,537)
Northeast Region	(\$24,149)	\$17,372	(\$6,777)
Midwest Region	(\$11,893)	\$8,201	(\$3,692)
South Region	(\$50,245)	\$19,966	(\$30,279)
West Region	(\$14,042)	\$8,666	(\$5,377)
Outside U.S.	(\$2,618)	\$2,642	\$24
<b>Total</b>	<b>(\$186,250)</b>	<b>\$136,614</b>	<b>(\$49,636)</b>
<b>Non-Migrants*</b>			\$4,613,887

Source: U.S. Internal Revenue Service Statistics of Income Division County-to-County Migration Flow Data; The Louis Berger Group, 2006. Note: Number of households estimated from tax returns filed for each calendar year. Average income based on gross reported income on tax filings - Year 2000 U.S. Dollars.

\* Average annual base of Non-Migrant aggregate household income from 1990-2003

### 3.7.2.2 Race and Ethnicity Patterns

The racial and ethnic composition of Madison and Oneida County residents is overwhelmingly white. According to the 2000 Census, Madison County is 95.9 percent non-Hispanic White and Oneida County is 88.6 percent non-Hispanic White (see Table 3.7-26). The second largest race or ethnic group in both counties is Black or African American with 1.3 percent in Madison County and 5.7 percent in Oneida County. Less than one percent of the populations of each of the subject counties identified themselves as being Native American alone. About 0.8 percent of Madison County residents and 1.5 percent of Oneida County residents identified themselves as belonging to more than one race, which could include Native Americans. The U.S. Bureau of Census does not report tribal information at the municipal level. Nation members would likely be included in the “American Indian” line item but the category is not limited to Nation members. In this discussion, race and ethnicity identification is based upon self-identification and disclosure on a census “short-form” questionnaire rather than tribal administrative records.

**Table 3.7-26  
Race and Ethnicity Characteristics, 2000  
Madison and Oneida County Residents**

	Madison County		Oneida County	
	Number of Residents	Percentage (%)	Number of Residents	Percentage (%)
White Alone	67,006	96.5%	212,414	90.2%
Hispanic White	442	0.6%	3,814	1.6%
Non-Hispanic White	66,564	95.9%	208,600	88.6%
Non-White Alone	1,855	2.7%	23,055	9.8%
Black or African American	916	1.3%	13,521	5.7%
<b>American Indian and Alaska Native</b>	<b>358</b>	<b>0.5%</b>	<b>549</b>	<b>0.2%</b>
Asian	387	0.6%	2,722	1.2%
Native Hawaiian or Other Pacific Islander	10	0.0%	55	0.0%
Other	184	0.3%	2,625	1.1%
More than One Race	580	0.8%	3,583	1.5%
TOTAL	69,441	100.0%	235,469	100.0%
Hispanic Origin	734	1.1%	7,545	3.2%
Minority Population	2,297	4.1%	26,869	11.4%

Note: \*The Other category includes “some other race alone” and “two or more races.”  
Source: U.S. Census Bureau, Census 2000, Summary File 1

Following state and national trends, Madison and Oneida County are more racially and ethnically diverse now than they were in 1990, with absolute increases in minority populations since 1990 (see Table 3.7-26). Between 1990 and 2000, the number of Native American in the two-county area increased from 764 to 907. Certain comparisons between the 1990 Census and the 2000 Census are difficult due to the different questions asked in 2000. Race comparisons are not directly comparable; for example, in 1990 “Asian and Pacific Islanders” were one category and in 2000 it was broken into two

categories: “Asians” and “Native Hawaiian or Pacific Islander.” Additionally, in 2000 the Census permitted individuals to declare themselves of more than one race; thus a person could be counted in totals for more than one race, which allows for various combinations yielding a total of 63 race categories, compared to only six categories in the 1990 Census without the option for multi-race respondents.

**Table 3.7-27  
Race and Ethnicity Characteristics, 1990  
Madison and Oneida County Residents**

	Madison County		Oneida County	
	Number of Residents	Percentage (%)	Number of Residents	Percentage (%)
White	67,481	97.6%	232,461	92.7%
Non-White	1,639	2.4%	18,375	7.3%
Black	752	1.1%	13,661	5.4%
<b>American Indian, Eskimo, or Aleut</b>	<b>260</b>	<b>0.4%</b>	<b>504</b>	<b>0.2%</b>
Asian or Pacific Islander	421	0.6%	2,175	0.9%
Other race	206	0.3%	2,035	0.8%
Total Population	69,120	100.0%	250,836	100.0%
Hispanic Origin	572	0.8%	5,804	2.3%

Source: U.S. Census Bureau, 1990 Housing and Population Census, Summary Tape File 1

Generally, the individual Study Area municipalities exhibit similar race and ethnic patterns as the Counties (see Tables 3.7-28 and 3.7-29). In each of these municipalities less than five percent of the total population in 2000 belonged to a racial or ethnic minority. With the exception of the City of Oneida, whose Native American population was 1.4 percent of the total municipal population in 2000, less than one percent of the population in each of the municipalities identified themselves as Native American alone.

**Table 3.7-28  
Race and Ethnicity Characteristics for Study Area Municipalities in  
Madison County, 2005**

Study Area Municipalities in Madison County	Cazenovia		Fenner		Lenox		Lincoln	
	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)
White Alone	6,303	97.3	1,661	98.9	8,462	97.7	1,781	98.0
Hispanic White	58	0.9	5	0.3	44	0.5	6	0.3
Non-Hispanic White	6,245	96.4	1,656	98.6	8,418	97.1	1,775	97.6
Non-White Alone	178	2.7	19	1.1	203	2.3	37	2.0
Black or African American Alone	71	1.1	3	0.2	57	0.7	4	0.2
<b>American Indian and Alaska Native Alone</b>	<b>17</b>	<b>0.3</b>	<b>4</b>	<b>0.2</b>	<b>40</b>	<b>0.5</b>	<b>10</b>	<b>0.6</b>
Asian Alone	34	0.5	3	0.2	21	0.2	7	0.4
Native Hawaiian or Other Pacific Islander Alone	1	0	-	0	1	0	-	0
Other*	55	0.8	9	0.5	84	1.0	16	0.9
TOTAL	6,481	100	1,680	100	8,665	100	1,818	100
Hispanic Origin	96	1.5	6	0.4	75	0.9	12	0.7
Minority Population	236	3.6	24	1.4	247	2.9	43	2.4
	City of Oneida		Smithfield		Stockbridge		Sullivan	
	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)
White Alone	10,579	96.3	1,165	96.7	2,010	96.6	14,728	98.2
Hispanic White	69	0.6	1	0.1	6	0.3	51	0.3
Non-Hispanic White	10,510	95.7	1,164	96.6	2,004	96.3	14,677	97.9
Non-White Alone	408	3.7	40	3.3	70	3.4	263	1.8
Black or African American Alone	88	0.8	12	1.0	8	0.4	49	0.3
<b>American Indian and Alaska Native Alone</b>	<b>153</b>	<b>1.4</b>	<b>10</b>	<b>0.8</b>	<b>19</b>	<b>0.9</b>	<b>54</b>	<b>0.4</b>
Asian Alone	51	0.5	3	0.2	6	0.3	34	0.2
Native Hawaiian or Other Pacific Islander Alone	2	0	-	0	-	0	-	0
Other*	114	1.0	15	1.2	37	1.8	126	0.8
TOTAL	10,987	100	1,205	100	2,080	100	14,991	100
Hispanic Origin	92	0.8	3	0.2	17	0.8	81	0.5
Minority Population	477	4.3	41	3.4	76	3.7	314	2.1

Source: U.S. Census Bureau, Census 2000, Summary File 1

**Table 3.7-29  
Race and Ethnicity Characteristics for Study Area Municipalities in  
Oneida County, 2000**

Study Area Municipalities in Oneida County	Augusta		City of Sherrill		Vernon		Verona		Vienna	
	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)	Number of Residents	(%)
White Alone	1,925	97.9	3,084	98.0	5,225	97.9	6,278	97.7	5,672	97.5
Hispanic White	5	0.3	18	0.6	34	0.6	23	0.4	21	0.4
Non-Hispanic White	1,920	97.7	3,066	97.4	5,191	97.3	6,255	97.4	5,651	97.1
Non-White Alone	41	2.1	63	2.0	110	2.1	147	2.3	147	2.5
Black or African American Alone	6	0.3	7	0.2	23	0.4	24	0.4	29	0.5
<b>American Indian and Alaska Native Alone</b>	<b>-</b>	<b>0</b>	<b>19</b>	<b>0.6</b>	<b>22</b>	<b>0.4</b>	<b>41</b>	<b>0.6</b>	<b>32</b>	<b>0.5</b>
Asian Alone	15	0.8	19	0.6	21	0.4	24	0.4	31	0.5
Native Hawaiian or Other Pacific Islander Alone	-	0	-	0	-	0	1	0	-	0
Other*	20	1.0	18	0.6	44	0.8	57	0.9	55	0.9
TOTAL	1,966	100	3,147	100	5,335	100	6,425	100	5,819	100
Hispanic Origin	11	0.6	26	0.8	37	0.7	30	0.5	45	0.8
Minority Population	46	2.3	81	2.6	144	2.7	170	2.6	168	2.9

Source: U.S. Census Bureau, Census 2000, Summary File 1 Note;\* The Nation owns lands in the Village of Sylvan Beach which is located in the Town of Vienna.

### 3.7.2.3 Household Composition

In the year 2000, there were 115,864 households in Madison and Oneida Counties. While Madison County experienced a 7.6 percent growth in households between 1990 and 2000, the number of households in Oneida County declined by 2.2 percent during this same period (see Table 3.7-30).

**Table 3.7-30  
Households Trends, 1990-2000  
Madison County and Oneida County**

Category	Madison County	Oneida County	Total
Number of Households in 1990	23,567	92,562	116,129
Number of Households in 2000	25,368	90,496	115,864
Change 1990-2000	1,801	(2,066)	(265)
Percent Change 1990-2000	7.6%	-2.2%	-0.2%

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 1; Census 2000, Summary File 1.

In both counties, but especially in Oneida County, the average household size in the year 2000 was smaller than the State average. With 55 percent of households in Madison County consisting of married couples, this group accounted for a larger share of total households in Madison County than in the State as a whole. Madison County also had relatively few single mothers and “other family households” (e.g., children living with a grandparent or other adult). Oneida County’s household composition was more similar to that of New York State (see Table 3.7-31).

**Table 3.7-31  
Household Composition  
Madison and Oneida Counties and New York State, 2000**

	Madison County	Oneida County	New York State
Average Household Size	2.55	2.43	2.61
One-Person Household	25%	30%	28%
Married Couple without own children (<age18)	30%	28%	25%
Married Couple with own children (<age18)	25%	21%	22%
Single Female Householder with own children (<age 18)	6%	7%	8%
Other family households	8%	9%	11%
Other non-family households	6%	5%	6%
Total Households	100%	100%	100%

Source: U.S. Census Bureau, Census 2000, Summary File 3

### 3.7.2.4 Age Composition

Compared to the State of New York as a whole, young adults (21-34 years) comprise a relatively small proportion of the population in Madison and Oneida Counties. The lack of employment opportunities is probably a contributing factor to the relatively few young

adults in the counties. Oneida County exhibits a much higher concentration of elderly persons (age 65 and over) than Madison County and New York State as a whole (see Table 3.7-32).

**Table 3.7-32  
Age Composition, Madison County, Oneida County, and New York State,  
1990-2000**

	2000			1990		
	Madison County	Oneida County	New York State	Madison County	Oneida County	New York State
Under 5 years	5.9%	5.7%	6.5%	7.1%	7.0%	7.0%
5 to 17 years	19.0%	18.2%	18.2%	18.2%	17.2%	16.7%
18 to 20 years	7.3%	4.1%	4.1%	9.5%	5.0%	4.7%
21 to 24 years	4.7%	4.5%	5.2%	6.5%	6.3%	6.2%
25 to 34 years	11.5%	12.5%	14.5%	15.1%	16.4%	17.4%
35 to 44 years	16.1%	15.6%	16.2%	14.1%	13.8%	15.1%
45 to 54 years	13.7%	13.6%	13.5%	10.2%	9.8%	10.6%
55 to 64 years	9.4%	9.2%	8.9%	7.9%	9.0%	9.1%
65 to 74 years	6.6%	7.8%	6.7%	6.7%	8.9%	7.5%
75 to 84 years	4.4%	6.4%	4.5%	3.7%	5.0%	4.3%
85 years and over	1.5%	2.3%	1.6%	1.1%	1.6%	1.4%
Total, Percent	100%	100%	100%	100%	100%	100%
Total	69,441	235,469	18,976,457	69,120	250,836	17,990,455

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 1; Census 2000, Summary File 1.

### 3.7.3 Housing Characteristics

#### 3.7.3.1 Madison and Oneida Counties

According to the U.S. Bureau of Census, there were 28,646 housing units in Madison County and 102,803 units in Oneida County in 2000. Both counties had a similar vacancy rate of 11 and 12 percent, respectively (see Table 3.7-33). The vacancy rate was higher than the state average of 9.9 percent and the national average of 9.0 percent, which suggests a cool housing market.

**Table 3.7-33  
Housing Units and Vacancy, 2000  
Madison and Oneida Counties and New York State**

	Number of Units	Occupied		Vacant	
Madison County	28,646	25,368	88.6%	3,278	11.4%
Oneida County	102,803	90,496	88.0%	12,307	12.0%
New York State (non-New York City)	4,478,395	4,035,272	90.1%	443,123	9.9%

Source: U.S. Census Bureau, Census 2000, Summary File 1

There is a high homeownership rate in the two counties (see Table 3.7-34). Madison County had a higher homeownership rate than the rest of the state, while Oneida County had a lower one. However, both were close to the state average.

**Table 3.7-34  
Owner Occupied and Renter Occupied Homes, 2000  
Madison and Oneida Counties and New York State**

	Number of Units	Owner-Occupied		Renter-Occupied	
Madison County	25,368	19,012	74.9%	6,356	25.1%
Oneida County	90,496	60,808	67.2%	29,688	32.8%
New York State (non-New York City)	4,035,272	2,827,114	70.1%	1,208,158	29.9%

Source: U.S. Census Bureau, Census 2000, Summary File 1

In the year 2000, the cost of housing in Madison and Oneida Counties was similar to the rest of the state (see Table 3.7-35). Madison County's median housing value is the same as the median housing value for the state, and its median monthly rent, at \$422, was 22 dollars higher than the state median rent. Oneida County's median housing value was slightly less than the state's median, \$76,500 compared to \$81,500. The median rent was 25 dollars less than the state median rent.

**Table 3.7-35  
Median Rent and Housing Value, 2000  
Madison and Oneida Counties and New York State**

	Median Rent	Median Housing Value
Madison County	\$422	\$81,500
Oneida County	\$375	\$76,500
New York State (non-New York City)	\$400	\$81,500

Note: This information reflects a range of rents for units of different sizes and ages, and for occupants who may have moved in recently or occupied their units for a long time.

Source: U.S. Census Bureau, Census 2000, Summary File 3

Between 1990 and 2000, the number of housing units in Madison and Oneida Counties increased by 8 and 2 percent, respectively (see Table 3.7-36). The number of housing

units grew by 6 percent in New York State (non-New York City) during that same time period.

In 1990, Madison County’s vacancy rate exceeded that of New York State (non-New York City), while the Oneida County’s vacancy rate was lower than the state average (non-New York City) (see Table 1.3.4).

**Table 3.7-36  
Housing Units and Vacancy, 1990-2000  
Madison and Oneida Counties and New York State**

	1990		2000		1990-2000
	Number of Units	Vacancy Rate	Number of Units	Vacancy Rate	Change in Number of Units
Madison County	26,641	11.5%	28,646	11.4%	8%
Oneida County	101,251	8.6%	102,803	12.0%	2%
New York State (non-New York City)	4,234,722	9.8%	4,478,395	9.9%	6%

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 1; Census 2000, Summary File 1.

As in 2000, in 1990 Madison County had a higher homeownership rate than the rest of the state, while Oneida County had a lower one. Both were close to the state average (see Table 3.7-37).

**Table 3.7-37  
Owner Occupied Homes, 1990 - 2000  
Madison and Oneida Counties and New York State**

	1990		2000	
	Number of Owner Occupied Units	Percent of Total Units	Number of Owner Occupied Units	Percent of Total Units
Madison County	17,515	74%	19,012	74.9%
Oneida County	60,392	65%	60,808	67.2%
New York State (non-New York City)	2,657,058	70%	2,827,114	70.1%

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File 1; Census 2000, Summary File 1.

The cost of housing in Madison and Oneida County was generally similar to the rest of the state (see Table 3.7-38).

**Table 3.7-38  
Median Rent and Housing Value, 1990  
Madison and Oneida Counties and New York State**

	Median Rent	Median Housing Value
Madison County	\$398	\$68,900
Oneida County	\$373	\$72,200
New York State (non-New York City)	\$392	\$69,900

Source: U.S. Census Bureau, 1990 Census of Housing and Population, Summary Tape File3

A review of 2002 to 2004 data from the New York State Office of Real Property Services (ORPS) indicates that housing values have continued to increase steadily. In 2004, the median sale price of residential property was \$95,000 in Madison County and \$78,000 in Oneida County (see Table 3.7-39). In the course of two years, property sales prices have increased 9.2 percent in Madison County and 13.0 percent in Oneida County; in comparison, the state median sales price increased 9.2 percent during the same time period. Madison County's sales prices are 17 percent higher than the state median, which includes all New York State counties with the exception of the five counties of New York City, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, Ulster, and Westchester.

Oneida County sales prices are four percent lower than the state median. While prices rose in both counties from 2003 to 2004, the state median sales price remained steady. ORPS uses real property transfer records to determine median sales prices and as a result ORPS data cannot be directly compared to Census data.

**Table 3.7-39  
Median Sales Price, 2002-2004  
Madison and Oneida Counties and New York State**

	2002		2003		2004	
	Median Sales Price	Index	Median Sales Price	Index	Median Sales Price	Index
Madison County	\$87,000	1.18	\$90,000	1.11	\$95,000	1.17
Oneida County	\$69,000	0.93	\$74,100	0.91	\$78,000	0.96
Upstate New York*	\$74,000	1.00	\$81,000	1.00	\$81,000	1.00

Note: \*Includes all New York State counties with the exception of the five counties of New York City, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, Ulster, and Westchester.

Note: The above data is for residential sales that are an arm's length (open market freely arrived at by normal negotiations without undue pressure) residential sale coded non-condominium and the sale price must be greater than ten dollars and the number of days between the sale date and the contract date must be less than three hundred and sixty five or indeterminate.

Source: New York State Office of Real Property Services, County Residential Median Sales Prices, <http://www.orps.state.ny.us/sales/resmedian.cfm#Sales>

### 3.7.3.2 Study Area Municipalities

Vacancy rates vary widely among Study Area municipalities. In 2000, the lowest vacancy rate was 3.6 percent in the City of Sherrill, and the highest vacancy rate was 27.8 percent in the Town of Vienna. Municipalities in the Study Area tend to have a lower vacancy rate than both the state average and Madison and Oneida County's vacancy rate. Vienna

is the only municipality that has a dramatically higher vacancy rate than the counties or the state (see Table 3.7-40).

In 2000, there was a wide discrepancy in homeownership rates between municipalities within the Study Area. Homeownership rates ranged from a low of 59.0 percent in the City of Oneida to a high of 86.7 percent in the Town of Lincoln. With the exception of the City of Oneida, the municipalities in the Study Area had a higher homeownership rate than New York State and similar homeownership rates to Madison and Oneida County (see Table 3.7-41).

In 2000, housing values in the Study Area ranged widely from a low median housing value of \$59,400 in the Town of Augusta to a high of \$135,500 in the Town of Cazenovia (see Table 3.7-42). The lowest median contract rent was also in the Town of Augusta, \$363, and the highest median contract rent was in the Town of Verona, \$482. With a few exceptions, most notably the Town of Cazenovia, median housing values and median contract rents in the Study Area were similar to the medians for Madison and Oneida Counties.

**Table 3.7-40  
Housing Units and Vacancy, Study Area Municipalities, 2000**

		Occupied		Vacant	
Madison County	Cazenovia	2,353	91.7%	214	8.3%
	Fenner	615	93.3%	44	6.7%
	Lenox	3,485	89.9%	392	10.1%
	Lincoln	656	94.8%	36	5.2%
	City of Oneida	4,430	94.8%	242	5.2%
	Smithfield	409	92.7%	32	7.3%
	Stockbridge	744	92.2%	63	7.8%
	Sullivan town	5,688	91.6%	521	8.4%
Oneida County	Augusta town	746	91.9%	66	8.1%
	City of Sherrill	1,262	96.4%	47	3.6%
	Vernon	2,112	93.2%	154	6.8%
	Verona	2,399	90.0%	266	10.0%
	Vienna *	2,192	72.2%	845	27.8%
Madison County		25,368	88.6%	3,278	11.4%
Oneida County		90,496	88.0%	12,307	12.0%
New York State (non-New York City)		4,035,272	90.1%	443,123	9.9%

Source: U.S. Census Bureau, Census 2000, Summary File 3 Note \*The Nation owns land in the Village of Sylvan Beach, which is located in the Town of Vienna.

**Table 3.7-41  
Owner Occupied and Renter Occupied Homes, 2000  
Study Area Municipalities**

		Owner-Occupied		Renter-Occupied	
Madison County	Cazenovia	1,827	77.6%	526	22.4%
	Fenner	510	82.9%	105	17.1%
	Lenox	2,452	70.4%	1,033	29.6%
	Lincoln	569	86.7%	87	13.3%
	City of Oneida	2,612	59.0%	1,818	41.0%
	Smithfield	348	85.1%	61	14.9%
	Stockbridge	577	77.6%	167	22.4%
	Sullivan	4,692	82.5%	996	17.5%
Oneida County	Augusta	558	74.8%	188	25.2%
	City of Sherrill	984	78.0%	278	22.0%
	Vernon	1,596	75.6%	516	24.4%
	Verona	2,038	85.0%	361	15.0%
	Vienna*	1,803	82.3%	389	17.7%
Madison County		19,012	74.9%	6,356	25.1%
Oneida County		60,808	67.2%	29,688	32.8%
New York State (non-New York City)		2,827,114	70.1%	1,208,158	29.9%

Source: U.S. Census Bureau, Census 2000, Summary File 3 Note \* The Nation owns lands in the Village of Sylvan Beach, which is located in the Town of Vienna.

**Table 3.7-42  
Median Contract Rent and Median Housing Value  
Study Area Municipalities, 2000**

		Median Contract Rent	Median Value
Madison County	Cazenovia	\$452	\$135,500
	Fenner	\$429	\$84,800
	Lenox	\$407	\$78,200
	Lincoln	\$420	\$86,000
	City of Oneida	\$410	\$70,600
	Smithfield	\$381	\$66,600
	Stockbridge	\$408	\$69,300
	Sullivan	\$474	\$82,700
Oneida County	Augusta	\$363	\$59,400
	City of Sherrill	\$366	\$89,900
	Vernon	\$417	\$79,600
	Verona	\$482	\$75,200
	Vienna *	\$431	\$78,900
Madison County		\$422	\$81,500
Oneida County		\$375	\$76,500
New York State (non-New York City)		\$400	\$81,500

Source: U.S. Census Bureau, Census 2000, Summary File 3 Note \* The Nation owns lands in the Village of Sylvan Beach, which is located in the Town of Vienna.

**3.7.4 Tribal Demographics and Socioeconomic Conditions**

The Nation has a Member Benefits Departments that maintains records for its enrolled members. Membership is determined by ancestry and entitles the individual and his or her family to benefit from Nation government programs and services, including health insurance, as discussed in Section 3.7.5.1. Member Benefits reports that the Nation has approximately 1,000 enrolled members.

The census data analysis below describes the demographic characteristics of New York State residents who identified themselves as members of the Nation of New York when completing the 1990 and 2000 Census form questionnaires and whose characteristics are reported in the 1990 Characteristics of American Indians by Tribe and Language and the 2000 Census American Indian and Alaska Native Summary File. Madison and Oneida County data as well as New York State have been included in this analysis in order to provide a means by which to measure the below-mentioned social and economic characteristics of the members of the Nation in comparison to the Region and State.

The U.S. Census Bureau states that this information does not reflect any designation of Federally- or State-recognized tribe. Thus, the self-identified members discussed in this section are not necessarily enrolled members that are recognized by the Nation.

**3.7.4.1 Population**

According to the 1990 U.S. Census, 1,026 New York State residents identified themselves as members of the Nation. Information regarding additional New York residents that identified themselves as members of the Nation and one or more other tribes and/or one or more other races is not available from this period. According to the 2000 U.S. Census, 1,000 New York State residents identified themselves as members of the Nation. An additional 373 New York residents identified themselves as members of the Nation and one or more other tribes and/or one or more other races (see Table 3.7-43).

**Table 3.7-43  
Total Population,  
Self-Identified Members of the Nation  
New York State, 2000**

<b>Self-reported Members of the Nation</b>			
<b>Place of Residence</b>	<b>No Other Tribe/Race Reported</b>	<b>At Least One Other Tribe/Race Reported</b>	<b>Total</b>
New York	1,000	373	1,373

Source: U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary

In 2000 the majority (54.7 percent) of New York residents who identified themselves solely as members of the Nation were male. This represents an increase from 51.1 percent at the time of the 1990 Census. The median age increased significantly between the two Census periods from 23.0 to 33.9. There was a sizable decrease of those between 5 to 17

years and relative increase of those between 35 to 44 years. Five percent were over the age of 65 as compared to only 2.8 percent in 1990 (see Table 3.7-44).

At the time of the 2000 Census, 75 percent of Nation households identified themselves as family households. Sixty percent of these family households had children under the age of 18. While the number of family households increased overall from 1990, there were fewer family households with children in 2000 than in 1990.

**Table 3.7-44  
Age and Gender, 1990 and 2000  
Self-Identified Members of the Nation  
New York State**

	1990		2000	
	Number	Percentage	Number	Percentage
Total Population	1,026		1,000	
Females	502	48.9%	453	45.3%
Males per 100 Females	104.3		120.8	
Median Age	23.0		33.9	
Under 5 years	102	9.9%	96	9.6%
5 to 17 years	313	30.5%	189	18.9%
18 to 20 years	54	5.3%	64	6.4%
21 to 24 years	75	7.3%	40	4.0%
25 to 34 years	183	17.8%	130	13.0%
35 to 44 years	117	11.4%	233	23.3%
45 to 54 years	120	11.7%	99	9.9%
55 to 59 years	22	2.1%	67	6.7%
60 to 64 years	11	1.2%	30	3.0%
65 to 74 years	29	2.8%	30	3.0%
75 to 84 years	0	0%	13	1.3%
85 years and over	0	0%	9	0.9%

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language.  
U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary.

Note: Persons who reported more than one tribe and/or more than one race are not included.

In 2000, 14 percent of households were headed by a female with no husband present; of these households 45.8% had children under the age of 18. The percentage of female-headed householders remained relatively unchanged from 1990, but there were fewer female-headed households with children under 18 in 2000 (dropped by more than twenty percentage points). In percentage terms, there are relatively more female-headed householders that are members of the Nation than in either Madison or Oneida Counties yet the Nation has a significantly smaller percentage of such households with children

under 18. This improved condition relative to the surrounding counties and New York State is particularly noteworthy because female-headed households with children are among the most economically vulnerable and in need of support networks to meet the challenge to balance work with family obligations (see Table 3.7-45).

**Table 3.7-45  
Total Households, 1990 and 2000  
Self-Identified Members of the Nation**

		Nation		Madison County		Oneida County		New York State	
		Number	%	Number	%	Number	%	Number	%
1990	Total Households	325		23,675		92,263		6,634,434	
	Family Households	238	73.2	17,441	73.7	63,969	69.3	4,528,888	68.7
	With Own Children Under 18 Years	196	83.4	8,723	50.0	30,249	47.3	2,107,159	46.5
	Married Couple Families	179	55.1	14,668	62.0	51,158	55.4	3,391,851	51.1
	With Own Children Under 18 Years	153	85.5	7,052	48.1	23,548	46.0	1,554,039	45.8
	Female-Headed Householder, No Husband Present	51	15.7	2,065	8.7	9,899	10.7	903,490	13.6
	With Own Children Under 18 Years	35	68.7	806	39.0	5,560	56.2	470,215	52.0
	Non-Family Households	87	26.8	6,234	26.3	28,294	30.6	2,105,546	31.7
Householder Living Alone	74	22.8	5,050	21.3	24,950	27.0	1,806,263	27.2	
Householder 65 Years and Older	N/A	N/A	2,326	9.8	11,640	12.6	700,016	10.5	
2000	Total Households	343		25,368		90,496		7,056,860	
	Family Households	258	75.2	17,577	69.3	59,170	65.4	4,639,387	65.7
	With Own Children Under 18 Years	155	60.1	8,517	48.5	27,555	46.6	2,231,381	48.1
	Married Couple Families	189	55.1	13,968	55.1	44,474	49.4	3,289,514	46.6
	With Own Children Under 18 Years	123	65.1	6,276	44.9	18,812	42.3	1,527,187	46.4
	Female-Headed Householder, No Husband Present	48	14.0	2,467	9.7	10,889	12.0	1,038,176	14.7
	With Own Children Under 18 Years	22	45.8	1,548	62.7	6,678	61.3	573,384	55.2
	Non-Family Households	85	24.8	7,791	30.7	31,326	34.6	2,417,473	34.3
Householder Living Alone	69	20.1	6,217	24.5	26,731	29.5	1,982,742	28.1	
Householder 65 Years and Older	52	15.0	2,622	10.3	11,877	13.1	715,550	10.1	

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language, U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary  
Note: Persons who reported more than one tribe and/or more than one race are not included.

### 3.7.4.2 Educational Attainment

Between the 1990 and 2000 Census periods, the self-identified members of the Nation experienced a significant shift in educational attainment levels. Major advancements were achieved in the numbers and percentage earning a High School diploma or higher and a Bachelor's Degree or higher. Of those aged 25 or older, 70.7 percent of the self-identified members of the Nation residing in New York had earned a high school diploma and 12.7 percent had earned a bachelors degree or higher, according to the 2000 Census. This level of educational attainment is significantly higher than the percentages reported in the 1990 Census. The rate of advancement in educational attainment was twice that of Madison and Oneida Counties and New York State overall. The gap was also reduced in the

percentage of persons enrolled in college and graduate schools with the Nation increasing its enrollment while the Counties and New York State experienced declining proportions.

More troubling, however, was an exhibited increase in the number of 16-19 years olds that were not enrolled in school; this compares unfavorably with the improvements garnered by surrounding counties (particularly Madison County) and New York State. In response to this challenge, the Nation's Education Department has developed several programs and services to encourage continued education. These initiatives are described in Section 3.7.5 Nation Government Programs and Services. Still, the exhibited pattern is sufficiently disproportionate and adverse to suggest that keeping youth in school is a major challenge for not only the Nation's tribal leadership and the families of these youth but also for community institutions including surrounding school districts.

Private school enrollment for those in Madison and Oneida Counties remained relatively stable between the 1990 and 2000 Census periods, while self-identified members of the Nation increased their enrollment in private schools to 7 percent in 2000 from virtually no participation in private schools in 1990 (1.6%). Despite this change, private school enrollment for members continue to significantly trail reported enrollment percentages exhibited by Madison and Oneida Counties and New York state overall (ranges from 15 to 24 percent).

**Table 3.7-46**  
**Educational Attainment, 1990 and 2000**  
**Self-identified Members of the Nation**  
**New York State**

		Nation		Madison County		Oneida County		New York State	
		Number	%	Number	%	Number	%	Number	%
1990	<b>Population 3 years and over enrolled in school</b>	384		20,667		63,045		4,656,218	
	Preprimary School	34	8.9	1,527	7.4	4,353	6.9	321,178	6.9
	Elementary or High School	288	75.0	11,636	56.3	41,559	65.9	2,895,841	62.2
	College or Graduate School	62	16.1	7,504	36.3	17,133	27.2	1,439,199	30.9
	Private School Enrollment*	6	1.9	959	7.3	4,293	9.4	566,418	17.6
	<b>Population 16 to 19</b>	81	7.9	6,485	9.4	14,178	5.7	991,329	5.5
	Not Enrolled in School	23	28.3	835	12.9	3,128	22.0	194,226	19.6
2000	<b>Population 3 years and over enrolled in school</b>	482	47.0	41,081	59.4	161,944	64.6	11,818,569	65.7
	High School Grad or Higher	152	31.5	32,543	79.2	121,591	75.1	8,840,965	74.8
	Bachelor's Degree or Higher	21	4.4	7,485	18.2	27,089	16.7	2,733,829	23.1
	<b>Population 16 to 19</b>	74	7.4	5,586	8.0	13,254	5.6	1,017,375	5.3
Not Enrolled in School	27	36.5	526	9.0	1,981	14.9	170,297	16.7	
2000	<b>Population 25 years and over</b>	611	61.1	43,762	63.0	158,846	67.5	12,542,536	66.1
	High School Grad or Higher	432	70.7	29,471	67.0	121,565	79.0	9,916,266	79.0
	Bachelor's Degree or Higher	78	12.7	9,455	22.0	29,072	18.3	3,433,266	27.4
	<b>Population 3 years and over enrolled in school</b>	244		20,630		60,218		5,217,030	
	Preprimary School	23	9.4	1,995	10.0	6,030	10.0	603,880	11.6
Elementary or High School	176	72.1	12,536	61.0	41,416	68.8	2,193,219	42.0	
College or Graduate School	45	18.4	6,099	30.0	12,772	21.2	1,301,375	24.9	
Private School Enrollment*	14	7.0	1,083	7.5	4,522	9.5	670,318	24.0	

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language

U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary

Note: Persons who reported more than one tribe and/or more than one race are not included.

\*This percentage is based on Private School Enrollment from Preprimary through High School. These figures are derived from total school enrollment minus College and Graduate School enrollment.

### 3.7.4.3 Labor Force

In the year 2000, the labor participation rate for the self-identified members of the Nation was higher than that of Madison and Oneida Counties as well as New York State at 69 percent, while the percentage of women in the labor force is comparatively smaller than

that of the above-mentioned areas, it is important to note that none of the self-identified Oneida women in the workforce indicated that they had children under 6 years of age.

Self-identified members of the Nation experienced a slightly higher unemployment rate higher than of the comparative areas for the same time period (see Table 3.7-47).

**Table 3.7-47**  
**Labor Force Characteristics, 1990 and 2000**  
**Self-Identified Member of the Nation**  
**New York State**

		Nation		Madison County		Oneida County		New York State	
		Number	%	Number	%	Number	%	Number	%
1990	Total Population 16+ Years	647	63.1	53,547	77.5	196,114	78.2	14,191,044	78.9
	Female	322	49.8	27,574	51.5	100,301	51.1	7,524,445	53.0
	Labor Force								
	Total Civilian Labor Force								
	Labor Force Participation Rate	N/A	N/A	34,468		118,108		9,029,546	
	Female	N/A	N/A	34,385	99.8	113,818	96.4	8,989,621	99.6
	With Children under 6 Years	N/A	N/A		64.2		58.0		63.3
	Total Percent Unemployed	N/A	N/A	15,788	45.8	54,165	45.9	4,177,244	46.2
			1,489	9.4	5,191	9.6	326,999	7.8	
2000	Total Population 16+ Years	752	75.2	54,306	78.2	186,008	79.0	14,805,912	78.0
	Female	360	47.9	27,837	51.3	94,886	51.0	7,810,436	52.8
	Labor Force								
	Total Civilian Labor Force								
	Labor Force Participation Rate	519		35,174		109,496		9,046,805	
	Female	519	100.0	35,163	97.2	109,151	99.7	9,023,096	99.7
	With Children under 6 Years		69.0		64.7		58.7		60.9
	Total Unemployed	208	40.0	16,527	47.0	52,335	47.8	4,306,437	47.6
	0	0.0	1,144	6.9	4,018	7.7	325,359	7.6	
	43	8.3	2,500	7.1	6,411	5.9	640,108	7.1	

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language  
U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary  
Note: Persons who reported more than one tribe and/or more than one race are not included.

#### 3.7.4.4 Income and Poverty

The improvement in financial conditions of the Nation is reflected in a critical reduction in poverty rates – a rate of decrease more than double the surrounding Counties. Reductions in poverty were widely felt within the Nation community. Most notably, in 2000, there were far fewer children under 18 years living in poverty than at the time of the 1990 Census. The rate of poverty reduction by the Oneida’s is in dramatic contrast with the stable and persistent levels of poverty found in Oneida and Madison Counties and New York State over the decade.

According to the U.S. Bureau of Census, at the time of the 2000 Census, the median income of self-identified members of the Nation surpassed that of residents of Madison and Oneida County. This represents an improvement of conditions whereas during the 1990 Census, the median household and family income was approximately equal to that of Madison and Oneida Counties.

Self-identified members of the Nation had an overall poverty rate of 9.1 percent in 1999 as compared to 19.9 percent in 1989, comparing favorably with Madison County's 9.8 percent, Oneida County's 13 percent, and New York State's 14.6 percent below poverty levels for 1999.

The elderly exhibited the highest poverty rate with about 40 percent of self-identified members of the Nation 65 years or over living in poverty in 1999 yet this was still a sizable decrease from 10 years earlier. While self-identified members over 65 years accounted for about 5 percent of all self-identified members in 1999, they accounted for 23 percent of the persons in poverty. By comparison, self-identified members over 65 years accounted for 2.3 percent of the total population, but they accounted for 8.8 percent of the persons in poverty in 1989.

While elderly persons accounted for a greater share of persons in poverty by 1999, it can be seen that the total number of self-identified Oneida persons in poverty dropped by more than 50 percent and the total number of Oneida children under 18 years in poverty dropped by 400 percent. While there were 3 additional elderly persons reported in poverty in 1999 than in 1989, the total number of elderly persons (i.e., persons over 65 years) within the Nation increased by approximately 80 percent.

**Table 3.7-48**  
**Median and Per Capita Income and Poverty Status, 1989 and 1999**  
**Self-Identified Members of the Nation**  
**New York State**

		Nation		Madison County		Oneida County		New York State	
		Number	%	Number	%	Number	%	Number	%
1989	<b>Median Income</b>								
	Households	\$26,382		\$29,547		\$26,710		\$32,965	
	Families	\$33,833		\$33,644		\$32,557		\$39,741	
	Non-Families	N/A		\$16,191		\$13,617		\$19,624	
	Per Capita Income	\$7,804		\$12,334		\$12,227		\$16,501	
	<b>Individuals Below Poverty Level</b>								
	Related Children Under 18 Years in Poverty	204	19.9	5,872	8.5	28,203	11.2	2,277,296	12.7
	Related Children between 5-17 in Poverty	104	50.1	1,728	29.4	10,261	36.4	782,530	34.4
	65 Years and Over in Poverty	82	40.2	1,169	19.9	6,806	24.1	530,668	23.3
		18	8.8	907	15.4	3,631	12.9	265,863	11.7
<b>Families with Income Below Poverty Level</b>									
Female-Headed Households (No Husband Present), with Related Children Under 18 Years in Poverty	39	16.4	1,133	6.5	5,612	8.8	454,872	10.0	
	25	64.1	459	40.5	2,868	51.1		52.8	
1999	<b>Median Income</b>								
	Households								
	Families	\$41,777		\$40,184		\$35,909		\$43,393	
	Non-Families	\$50,595		\$47,889		\$45,341		\$51,691	
		\$19,821		\$23,495		\$20,750		\$27,073	
	Per Capita Income	\$16,460		\$19,105		\$18,516		\$23,389	
	<b>Individuals Below Poverty Level</b>								
	Related Children Under 18 Years in Poverty	91	9.1	6,313	9.8	28,764	13.0	2,692,202	14.6
	Related Children between 5-17 in Poverty	11	12.1	1,777	28.1	10,688	37.2	893,505	33.2
	65 Years and Over in Poverty	11	12.1	1,178	18.7	7,009	24.4	639,896	23.8
	21	23.1	731	11.6	3,019	10.5	264,336	9.8	
<b>Families with Income Below Poverty Level</b>									
Female-Headed Households (No Husband Present), with Related Children Under 18 Years in Poverty	41					9.8	535,935		
	11	15.9	1,100	6.3	5,797	50.1	257,263	11.6	
		16.4	442	40.2	2,953			48.0	

Source: U.S. Census Bureau, Census 1990, Characteristics of American Indians by Tribe and Language  
U.S. Census Bureau, Census 2000, American Indian Alaska Native Summary  
Note: Persons who reported more than one tribe and/or more than one race are not included.

The persistent incidence of Nation elderly persons in poverty is of concern but the Nation's Government has sought to ameliorate living conditions for its elderly population through housing, health, social service and nutrition initiatives. The Nation's investment in the Ray Elm Children's and Elders Center and development of several programs and services targeted to the elderly that focus on social, recreational, educational and nutritional needs are intended to encourage elder's immersion in community life and culture and prevent their isolation or alienation. Further discussion about the Nation Government programs and services for the elderly are described in the next section.

At the time of the 2000 Census, the median household income of the self-identified members was very similar to that of the residents of the Study Area municipalities. The thirteen Study Area municipalities where the Nation owns lands had a weighted average median household income of \$41,500 in 1999. The per capita income of self-identified members of \$16,460 in 1999, however, was lower than the weighted average per capita income for the thirteen Study Area municipalities, which was \$19,877 in that same year.

The poverty rate of the self-identified members is greater than eight of the municipalities with Nation lands—Cazenovia, Fenner, Lincoln, Sullivan, Augusta, Sherrill, Verona, and Vienna. Five municipalities had a poverty rate higher than the Oneidas' poverty rate—Lenox, the City of Oneida, Smithfield, Stockbridge, and Vernon.

### **3.7.5 Nation Operations**

The proceeds of the Turning Stone Resort & Casino and other Nation Enterprises have supported tribal government operations and programs, provided for the general welfare of the Nation and its members, promoted economic development, both within the Nation and local community, contributed to charitable organizations and helped fund the operations of local government agencies.

The Nation's government encompasses executive, legislative, and judicial functions. The Nation's governmental departments address the health, safety, and welfare needs of Nation members and the maintenance of its facilities and institutions. For budgeting purposes, there are several departments and activities including: Government Programs and Administration, Legal, Judicial, Men's Council, Children and Elder's Center Cultural Center, Health Services, Housing, Family Services, Program Development and Evaluation, Recreation and Youth, and Government Programs and Administration.

This section begins with an overview of several of the Nation's major government programs and services benefiting its Members. An overview of the Nation's Enterprises follows with discussion of the Nation's direct employment and purchasing activities.

#### **3.7.5.1 Nation Government Programs and Services**

The government of the Nation provides social welfare services similar to programs sponsored by state and local governments. For example, the Nation directs and funds

critical programs for the health, public safety and welfare of its members and their families. In the past two decades, the Nation has fostered fundamental improvements in the social conditions of its members. The Nation has helped its members achieve and maintain a level of self-sufficiency that was unthinkable twenty years ago. Members have access to steady jobs, a college education, health care, day care and youth programs, elder programs, family services, and affordable housing. Major tribal government programs and services that have been established by the Nation's governing institutions are described in this section. Major milestones for the Nation's government programs and services are presented in Table 3.7-49

The Nation's governmental programs have increased in size and scope in tandem with the Nation's success in expanding net revenues from resort and casino and convenience store operations along with a diverse set of other business enterprises. Growth in the Nation's contributions to government programs and services over the Fiscal Year (FY) 1995 and FY2005 period is shown in Figure 3.7-10. In FY2005, the Nation contributed \$16.8 million to its government programs and services.

For several years, the Nation was so successful in achieving its goals of enhancing self-determination and financial independence that it determined that it could return federal Tribal Priority Allocation (TPA) funds to the BIA with the request that the funds be redistributed to other tribes in the Northeast. From FY1998 to FY2002, the Nation turned back \$6.23 million in BIA funds, an average of \$1.24 million annually.

More recently, the Nation Government continued to return BIA funds, but also broadened the range of programs and services to benefit more of its members and often extended them to members of other Indian tribes. Between FY03 to FY05, the Nation elected to accept a small amount of its total eligible BIA funds for the purposes of expanding select

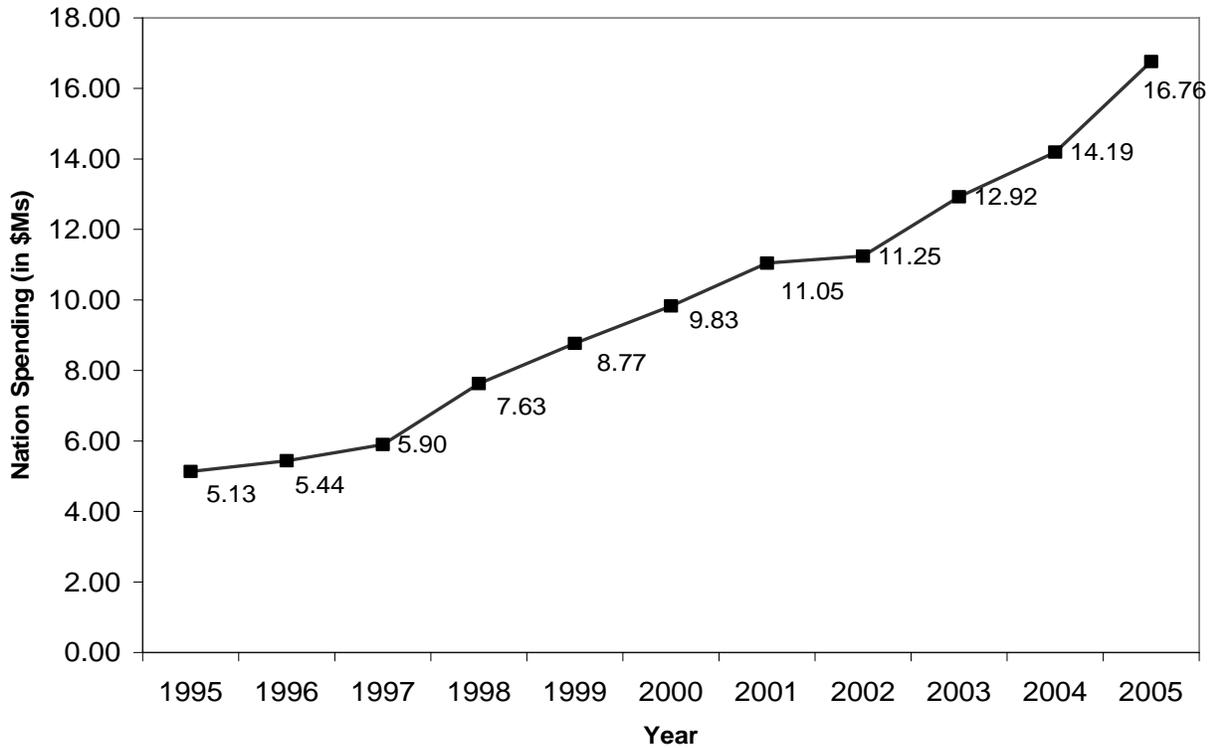
**Table 3.7-49  
Milestones for Nation Government Program and Services  
1989-2004**

<b>August 1989</b>	Nation establishes Health Department
<b>April 1990</b>	Nation works with Center of Disease Control to conduct Member Health Needs Assessment
<b>October 1990</b>	Nation receives Indian Health Services Tribal Management Grant to develop health program
<b>October 1990</b>	Oneida Nation Health Department registers first client
<b>July 1991</b>	Construction begins for Oneida Nation Health Center
<b>August 1991</b>	Nation executes first Indian Health Services Self-Determination Contract to provide health services
<b>October 1991</b>	Oneida Nation Health Department moves to new Oneida Nation Health Center
<b>January 1992</b>	Oneida Nation Health Center opens and initiates services with full-time nurse practitioner working in collaboration with consulting physician
<b>January 1992</b>	Nation establishes Elders Lunch Program at Oneida Nation Cookhouse
<b>June 1992</b>	Oneida Nation Health Department hosts first annual Kid's Day
<b>October 1992</b>	1,000 <sup>th</sup> client registers at Oneida Nation Health Department
<b>January 1993</b>	Nation transfers growing behavioral counseling program to Nation Family Services Department
<b>February 1993</b>	Oneida Nation Health Center expands with modular addition to house administration and community health departments
<b>March 1993</b>	Oneida Nation Health Department initiates contract health service program
<b>April 1993</b>	Nation completes construction on Recreation Center and Gymnasium
<b>June 1993</b>	Shako:wi Cultural Center opens on Nation Territory
<b>September 1993</b>	Part-time physician hired to provide direct care at Nation Health Center
<b>February 1994</b>	Registered dietician hired to provide nutrition services at Nation Health Center
<b>April 1994</b>	Counseling program opens Syracuse satellite office of Nation Family Services Department
<b>July 1994</b>	Part-time dentist hired to provide direct care at Nation Health Center
<b>August 1994</b>	Nation Health Center is certified as a Federally Qualified Health Center
<b>September 1994</b>	First family moved to the Village of the White Pines, a Nation village located within the boundaries of the City of Oneida
<b>October 1994</b>	Nation Youth and Recreation Center opens
<b>February 1995</b>	Nation Health Center registers its 2000 <sup>th</sup> client
<b>November 1995</b>	Nation converts former Bingo Hall to Early Learning Center (ELC)
<b>March 1996</b>	Full-time physician/medical director hired at Nation Health Center
<b>June/July 1996</b>	Health Center hires two full-time Oneida Member nurse practitioners
<b>August 1997</b>	Nation provides health insurance to Oneida Members nationwide
<b>December 1997</b>	3000 <sup>th</sup> client registers at Nation Health Center
<b>August 1998</b>	Renovations begin to convert space occupied by the Nation's Early Learning Center and warehouse to Nation Education Resource Center
<b>January 1999</b>	Ray Elm Children & Elders Center opens, housing the Nation's Early Learning Center and the Nation's Elders program
<b>January 1999</b>	Nation Elders program offers expanded nutrition, support services and social, recreational and cultural activities
<b>March 2000</b>	Nation opens new Education Resource Center housing library, language and academic enrichment programs in former ELC
<b>July 2000</b>	Full-time dentist hired at the Nation Health Center
<b>November 2000</b>	Early Learning Center receives accreditation by the National Association for the Education of Young Children (NAEYC)
<b>April 2001</b>	Oneida Nation Housing Corporation creates Nation Homeownership Program
<b>May 2001</b>	Nation Elders Program hosts first annual Aging Well Conference
<b>October 2001</b>	Nation Health Center expansion completed
<b>October 2001</b>	4000 <sup>th</sup> client registers at Nation Health Center
<b>April 2002</b>	First new home built under Nation Homeownership Program
<b>May 2003</b>	Second full-time physician hired at Nation Health Center
<b>February 2004</b>	Nation launches Oneida Language Immersion Program
<b>April 2004</b>	Nation Pathways case management program begins service at Children & Elders Center
<b>October 2004</b>	Nation graduates the first class of Oneida speakers from Language Immersion Program

Source: The Nation, unpublished, 2005.



**Figure 3.7-10  
Nation Contributions to Nation Government Programs and Services,  
1995-2005**



Source: The Nation, unpublished, 2006.

programs described in further detail in this section. However, in the wake of the U.S. Supreme Court decision in *City of Sherrill* in March 2005, and for the first time since FY1998, the Nation determined that it would use its full allocation of BIA funds in FY2006 for its governmental programs and services (see Table 3.7-10).

In addition to the BIA funds, the Nation receives funding from the U.S. Department of Health and Human Services, Indian Health Service (IHS) and from the U.S. Department of Housing and Urban Development (HUD). Since FY1991 the Nation has received annual funding from the IHS to provide health care services to its members and to other Native Americans (see Section 3.7.5.1.2). HUD's Community Development and Tribal Relations Division provides the Nation with housing grants.

In FY2005, the Nation was awarded \$3.1 million by the IHS, \$0.5 million by the BIA, and \$158,000 by HUD. The Nation also received a \$161,000 Diabetes grant from United South.

& Eastern Tribes, Inc. That same year the Nation expended a total of \$4.7 million from its IHS, BIA, and HUD funding for health, education, housing, wastewater and law enforcement programs.

Finally, Nation government programs and services are also supported by the Nation's sales and hotel occupancy tax revenues. These revenues, which are collected by the Nation on sales at the Turning Stone Resort & Casino and the SavOn gas and convenience stores, totaled \$3.8 million in 2005 (See Section 3.7.5.2 for more information.)

The offices of the Nation's Government Programs and Services department are located in the City of Oneida.

#### **Member Benefits**

The Nation Member Benefits Department is located at 519 Main Street in the City of Oneida. Member Benefits offers several services including enrollment cards issued to Nation members who are 18 years and older, bereavement funds (including spouses), burial plots at Nation burial grounds, member advocacy, consumer credit counseling, medical and dental insurance for Nation members and their families, distribution account revolving lines of credit, and housing assistance.

#### **Health Programs**

Established in August 1989, the Oneida Nation Health Department's mission is "to work with clients to deliver the highest quality, holistic health services, given the resources available." In October 1991, the Department moved into the newly constructed Oneida Nation Health Center, where a full-time nurse practitioner and a consulting physician started providing health services to Native Americans in January 1992. Currently, the Center has a medical and dental staff of 20, including a full-time medical director/physician, a second full-time physician, a dentist, and two full-time nurse practitioners, and has more than 4,800 clients. The Health Center provides medical, dental, and community health services and refers clients who need special care to off-site providers.

Although part of the Health Center opened in 1991, the Health Center was completed in 1993. The Nation paid \$292,700 for the \$1.1 million construction project, while the remainder was paid for with Indian Health Service funds.

While mental health services were originally provided by the Oneida Nation Health Department, since January 1993 they have been provided by the Nation Family Services Department. In addition, the Oneida Education Department organizes a Youth Development program that promotes mental and physical health awareness and substance abuse prevention to the youth.

Health programs at the Nation's Health, Family Service and Education Departments are primarily funded through an Annual Funding Agreement (AFA) contract with the IHS, an agency within the U.S. Department of Health and Human Services. With the contract, the Nation agrees to provide health services to members of the Nation and other eligible recipients in accordance with the law in a variety of health program areas. In FY 2005, IHS funding for the Nation health program was \$2.6 million. In FY 2006, the IHS provided \$2.7 million to the Nation under the Nation's Indian Health Service Contract. FY06 funds will be supplemented by funds carried over from prior years to meet the programs' cost of \$3.6 million. Since 1995, the Nation has spent a total of about \$235,580 on health services in addition to grants funds.

Most health programs funded through the Nation's IHS contract (i.e., on-site Health Center services, mental health services at Family Services Department, and Youth Development programs) are accessible to all Native Americans at no charge, regardless of their county of residence. Clients do not incur any out-of-pocket expenses when visiting the Health Center. The Center does not collect co-pays or deductibles from insured patients and does not charge uninsured patients. Only off-site contract health services, which include specialty care and inpatient services, are limited to Territory residents and to enrolled Oneida Members and children of enrolled Oneida Members living in the Center's six-county service area, which includes Chenango, Cortland, Herkimer, Madison, Oneida, and Onondaga.

#### ***Nation Health Insurance Program***

Since 1997, the Nation has funded its own Health Insurance Program which provides free health insurance coverage to Nation members and their families in accordance with the results of the Nation's internal needs assessment. The Nation recently became self-insured and paid about \$4.3 million for claims and administrative fees in FY2005. The Nation has spent a total of \$21 million on its health insurance programs since 1997.

The Nation Health Insurance Program currently covers about 1,600 individuals and pays for 80 percent of most medical costs. As is the case for all Health Center clients, on-site Health Center services are provided at no charge to the client. The Center bills the Nation Health Insurance Program and pays for the co-pays and deductibles with IHS funds. Since the program's start in the mid-1990s, the funds that the Nation Health Insurance Program has paid to the Nation Health Center for services provided to the insured patients have been set aside for future renovation of the Health Center. Oneida members and their children who live within the Health Center's six-county service delivery area also receive off-site specialty care and inpatient services free of charge. These services are covered by the Nation Health Insurance Program and the IHS funding pays for the co-pays and deductibles.

**Health Services**

The Oneida Nation Health Department provides medical, dental, and community health services. Mental health services are provided by the Oneida Nation Family Services Department.

**Medical Services**

The Health Center's medical staff includes a full-time medical director/physician, a second full-time physician, two full-time nurse practitioners, a registered medical nurse manager, three clinical nurses/LPNs, and a lab technician. Contracted specialty care providers are used for select services on-site on a part-time basis. The Health Center's medical services include:

- All routine health care
- Acupuncture
- Allergy injections
- Annual physical/health Histories
- Basic laboratory tests
- Breast exams
- Cancer screening
- Cholesterol testing
- Comprehensive diabetes care and education
- Contracted on-site cardiology care
- Contracted on-site endocrinology care
- Contracted on-site podiatry care
- EKGs
- Family planning
- First aid (including stitches)
- High blood pressure detection & control
- HIV/AIDS testing and Counseling
- Immunizations
- Medical record services
- Minor surgery for skin lesions
- Prescriptions
- Referrals for eye exams/vision screening
- Referrals for specialty medical care
- Routine gynecology
- School physicals
- Sports physicals
- Testing for sexually transmitted diseases
- Well child care

In 2004, a total of 13,648 visits to the Health Center were recorded (see Table 3.7-51). Recently, the Health Center began to contract specialty care providers on a part-time basis to deliver needed care in acupuncture, cardiology, endocrinology, and podiatry on-site. A total of 1,186 visits were recorded in 2004 for these four specialties. Clients who need specialty care that cannot be provided at the Health Center were referred to the nearest, most appropriate provider. In 2004, the Health Center's two referral specialists scheduled 1,845 referrals for off-site services.

**Table 3.7-51  
Oneida Nation Health Center - Medical Services, 2004**

<b>Medical Services</b>	<b>Number</b>
Outpatient Visits	13,648
Diabetic Users	109
Flu Shot Clients	235
Cervical Pelvic Exams	281
Well-Child Visits, Completed	236
On-Site Podiatrist Visits	720
On-Site Endocrinology Visits	87
On-Site Cardiologist Visits	25
On-Site Acupuncture Visits	354
Family Planning Visits	107
Hypertension Visits	832

Source: The Nation, 2005.

**Dental Health**

A dentist, a dental manager, dental hygienist and two dental assistants provide dental services Monday through Friday. Dental Services include, but are not limited to:

- Athletic mouthguards
- Biopsy & excision—oral lesions
- Deep gum pocket therapy
- Dental education
- Dental emergencies
- Headstart exams
- Limited endodontics
- Nutritional counseling
- Oral cancer screening
- Restorations
- Dental examinations
- Dental sealants
- Denture relines
- Fluoride analysis of home water source
- Fluoride treatment
- Simple extractions
- Soft tissue management
- Teeth cleaning / X-rays

In 2004, a total of 3,046 dental visits were recorded (see Table 3.7-52) and 283 referrals for off-site services were made.

**Table 3.7-52  
Oneida Nation Health Center, Dental Services, 2004**

<b>Dental Services</b>	<b>Number</b>
Facility Dental Visits	3,046
Emergency Visits	346
Planned Treatments Completed	233
Referrals for off-site services	283

Source: The Nation, 2005.

**Community Health Services**

Community health services are delivered by a full-time community health outreach coordinator, two community health nurses, and a registered dietician. Services may be

provided in the office, home, at the Health Center, or in the community. Health services provided include, but are not limited to:

- Bicycle helmet and safety program
- Blood pressure checks
- Blood sugar checks
- Car safety seat program
- Disease prevention education
- Exercise/fitness information
- Family planning information and referrals
- Fire and safety information
- Foot care information
- Health education
- HIV/AIDS information
- Home safety inspections
- Home Visits
- Hospital Visits
- Injury and accident prevention
- Maternal and child health information
- New mom/new baby visits
- Nutrition counseling and information
- Rabies vaccination program
- Smoke detector program
- Smoking cessation information
- Video lending library
- Walk for health program
- Well water testing
- Wellness Education

Examples of community health activities in 2004 are 114 elder home visits and transportation to medical and dental appointments for 491 clients (see Table 3.7-53).

**Table 3.7-53  
Oneida Nation Health Center, Community Health, 2004**

Community Health Services	Number
Elder Home Visits	114
Blood Pressure Screenings, Elders	84
Maternal Child Home Visits	19
Prenatal Office Visits	5
Health Checks at Early Learning Center	43
Clients Transported to Medical/Dental Appointments	491
Nursing Staff Home Visits	304
Nursing Staff Accompanying Clients to Medical Visits	167

Source: The Nation, 2005.

***Mental Health Services***

Mental health services are provided by the Oneida Nation Family Services Department whose mission it is “to provide professional and confidential services that promote opportunities to enhance the mental, physical, social, intellectual, and spiritual well-being of Indian people.” The Department provides mental health counseling, child and adolescent counseling, alcohol and substance abuse counseling, acupuncture detoxification, clinical case management, referral services to other agencies, hypnotherapy, psychiatric services, and alcohol education.

The Department’s counseling program offers individual, family and group counseling for mental health and substance abuse issues including assessment, diagnosis and treatment planning, and ongoing counseling sessions. Specialized therapies such as acupuncture,

hypnotherapy, and EMDR (Eye Movement Desensitization and Deprogramming) are also offered. Counseling staff also make referrals to other agencies, provide advocacy and clinical case management for clients, and participate with other Nation departments in community education programs. Past services have included a Men's Recovery Group, which is a weekly group session for males who are in recovery from alcohol and/or substance abuse, led by a mental health counselor and held at the Family Services Oneida office, as well as a Women's Talking Circle.

In 2004, 275 clients received counseling services and a total of 3,405 counseling visits were made at the Department's offices in the City of Oneida and in Syracuse.

#### **Oneida Nation Health Center Clients**

Priority levels and eligibility criteria for health services are established by the Nation's Indian Health Service Contract. Eligibility for services at the Health Center include: 1) Enrolled Oneidas; 2) Children of enrolled Oneidas; 3) Residents of the Nation Territory; 4) Enrolled members of other Federally recognized Indian nations; 5) Dependent children up to age 19 of an enrolled member of a Federally recognized Indian nation; 6) any individual who has not reached the age of 19 and is the adopted child, step-child, foster child, legal ward, or orphan of an enrolled Oneida member, or of an enrolled member of a Federally recognized Indian nation; and 7) a non-eligible woman pregnant with an eligible man's child, during pregnancy and six weeks after delivery. (Additional eligibility requirements are established for off-site contract health services.)

The Health Center has become an established medical care facility for Oneida members and other Native Americans throughout Central New York. About 63 percent of Health Center patients live within its six-county service area. The single largest concentration of clients lives in Onondaga County (see Table 3.7-54).

The Center serves Native Americans of many different tribes. In 1992, 69 percent of the active patients were Oneidas and their children, but by 2005 this group comprised only 36 percent of the total patient load as services were greatly expanded to serve other tribes of the region (see Table 3.7-55). The St. Regis Mohawk was the second largest group of Health Center users in 2005, comprising 35 percent of the active patients.

The Center's client base includes children as well as adults. About one out of four Health Center clients is under the age of 18 (see Table 3.7-56).

The Oneida Nation Health Center's client base has steadily grown over the 1992-2005 period, adding on average nearly 300 new clients annually (see Table 3.7-57). The Health Center's importance can also be seen in the social needs addressed on behalf of its patient base. The Center has experienced a steady increase in Medicare patients. In December 2005, 45 percent of Health Center clients did not have health insurance. These clients receive health services free of charge.

**Table 3.7-54**  
**Patients by County of Residence Oneida Health Center, 2005**

County	# of Patients	% of Total
Chenango	32	0.7%
Cortland	35	0.7%
Herkimer	58	1.2%
Madison	786	16.1%
Oneida	262	5.4%
Onondaga	1,910	39.2%
Service Delivery Area	3,083	63.2%
Total	4,876	100.0%

Source: The Nation, 2005

Note: Includes all of the Health Center's past and present patients, except those who are deceased.

**Table 3.7-55**  
**Active Patients by Tribe, Oneida Nation Health Center**  
**1992-2005**

Active Patients by Tribe*	Number of Patients				Share	
	1992	1995	2000	2005	1992	2005
Oneida	165	414	491	562	51.4%	23.4%
Child of Oneida	56	204	272	316	17.4%	13.1%
Cayuga	0	2	9	9	0.0%	0.4%
Onondaga	11	105	98	86	3.4%	3.6%
Seneca	1	22	31	28	0.3%	1.2%
St. Regis Mohawk	65	451	661	841	20.2%	35.0%
Tuscarora	0	3	5	5	0.0%	0.2%
Other Iroquois Minor Child	8	152	347	388	2.5%	16.1%
Other Tribe or Nation	15	95	126	171	4.7%	7.1%
Total	321	1,448	2,040	2,406	100.0%	100.0%

Source: The Nation, 2005

Note: \* Active Patient is someone who has had at least 1 visit within the last 3 years.

**Table 3.7-56**  
**Oneida Health Center**  
**Oneida Clients under the Age of 18 by County**

County	Age 0-4	Age 5-12	Age 13-17	Total
Chenango				0
Cortland				0
Herkimer				0
Madison	23	39	25	87
Oneida	12	20	14	46
Onondaga	3	4	8	15
Total	38	63	47	148
% of Total Population	6.3%	10.4%	7.8%	24.5%

Source: The Nation, 2005.

**Table 3.7-57**  
**Oneida Nation Health Center Client Population Trends**  
**1992-2005**

Year-End 09-30-YY	Living Patients*	New Patients	Medicare Part A	Medicare Part B	Private Insurance
FY 1992	988	988	59	47	21
FY 1995	2,283	393	132	109	225
FY 2000	3,705	275	235	195	1,309
FY 2005	4,840	199	375	318	2,263
Average Annual Absolute Change, 1992-2005:	296	(61)	24	21	172
<b>Oneida Nation Health Center Clients With and Without Insurance</b>					
		<b>With Any Insurance</b>	<b>No Insurance</b>	<b>Total</b>	
Number of Clients (12/9/05)		2,688	2,188	4,876	
Percent Share		55%	45%	100%	

Source: Oneida Nation Health Department, 2005

Note: \* Living patients includes all of the Health Center's past and present patients, except those who are deceased.

\*\* Medicaid includes Medicare part A (hospital insurance) and Medicare part B (doctor's services and outpatient care)

### ***Nation's Health Center Performance***

The performance of the Nation's Health Center is determined annually as required by the Nation's Indian Health Service Contract. Tables 1.5.3 through 1.5.5 already presented represent a small handful of the types of performance indicators that are reported in the Annual Report sent to the Indian Health Service. The indicators suggest that Health Center activities provide critical services to improve the well-being of their patients but also that the facility's activities are intertwined with the broader community of health-care professionals including specialty doctors, nurses, physician assistants, pharmacies and pharmaceutical companies, health maintenance organizations and insurers, social service

agencies, and others. The Health Center’s business office processes Medicaid and Medicare compliance and contract health services, among other administrative functions, which are activities that would have to be otherwise absorbed by other health care providers or public institutions.

While inclusively serving Native Americans from other tribes, the Health Center has improved access to preventive health care services for Nation members. Table 3.7-58 compares the prevalence of certain health services among Nation members with special health needs in 1990 and in 2005. For example, 49 percent of Nation members with special health needs had never been checked for their cholesterol levels in 1990, but only 23 percent had never been tested in 2005. Similarly, Nation Members with special needs showed higher levels of diabetes testing, tetanus immunizations, and influenza vaccinations by 2005.

**Table 3.7-58  
Oneida Nation Health Center,  
Preventive Care Services received by Oneida Members  
with Special Needs, 1990 and 2005**

	1990	2005	Percent change
Never Had Cholesterol Checked	49%	23%	-53%
Never Tested for Diabetes	41%	19%	-53%
Did Not Have Tetanus Shot in 10 Years	36%	22%	-41%
Did Not Have Flu Shot Last Year	86%	46%	-46%

Source: The Nation, 2005.

In reviewing these preventive care trends, it is appropriate to consider the critical role that high-quality preventive health care plays in keeping working families functioning and connected to essential services. By comparison, poor health care facilities and services tend to shift the cost burden to federal, state and local governments. Hospitals and emergency care facilities are more likely to incur higher treatment costs when preventive care is not available. Employers must also absorb days lost from the workplace due to illnesses of the worker or because of their need to care for a sick child.

**Educational Programs**

As a result of a detailed internal needs assessment, the Nation has undertaken several major education initiatives to encourage self-sufficiency and to promote tribal economic development. The Nation leadership has placed great importance on the development of educational programs, recognizing their central significance in the survival and sustainability of the Nation. The Nation’s comprehensive approach to education includes college scholarships, GED/EDP courses, a partnership with an independent school, incentive programs, library and language training, all of which are described below.



With the exception of the Youth-Work Learn program, all of the educational programs below (including the language programs and the library) were fully-funded by the Nation from FY1995 to FY2005. The Nation spent more than \$13.6 million on these educational programs during this 10-year period, \$0.8 million of which were Nation tax revenues. (Not all of the payroll and purchasing associated with the educational programs is included in the \$13.6 million. This also does not include some of the salaries.)

The library, language and scholarship programs, and GED/EDP classes are located at the Education Resource Center in the City of Oneida.

#### Oneida Nation Scholarship Program

The Oneida Nation Education Department administers the scholarship programs policies and procedures which are extended to all Nation enrolled members. The program sets forward rules for eligibility (e.g., age, G.P.A, proof of acceptance in college or university, etc.) and academic performance, which are described in the Oneida Nation Education Department's Scholarship Programs and Procedures.

The Nation's Scholarship Program works closely with local school districts and colleges that Nation members currently attend or will attend. The program has developed a tracking system for the college and high school students who received scholarships. In FY 2004, the Nation Scholarship Program was tracking: 82 college students, 14 vocational students, 20 K-6 students, and 47 7-12 students. The office also tracked 21 students of Manlius Pebble Hill (a private pre-K to Grade 12 School with which the Nation has formed a partnership as explained below). The Scholarship Program is responsible for researching and informing students about job postings, educational opportunities, and scholarships that are available for Native Americans. Offering expertise and assistance in the preparation of financial aid packages for colleges and universities and vocational training is a key service delivered by the Scholarship Program office. The Scholarship Program office also administers incentives and scholarship awards for the Nation students.

- In FY 2004, several events were held in furtherance of these goals and to assist in the educational advancement of individuals, including but not limited to:
- Tutorial meetings with college and K-12 students (73 meetings)
- Student meetings (298 students including Oneidas and other Native Americans)
- College Nights where college representatives visits
- College Visit to SUNY Institute of Technology
- Cornell University Night
- Attendance at Native American Outreach days at Syracuse University and Ithaca Colleges
- SAT preparation courses;

- Tutoring for EDP and GED Students

### *Scholarships*

The Nation recognizes that education is the key to the future of its people not only for its young people but for all adults. To ensure that its members are able to afford college and as a result of an internal needs assessment, the Nation began to provide financial aid in the form of a scholarship program in 1990. The scholarship program pays for a member's college tuition and fees up to a maximum of the average tuition at New York State Universities (currently around \$16,000 per year). Additionally, a living stipend is provided to allow members to devote their time to their studies. The stipend also addresses the household maintenance needs of adults – whether it is the single mother or the young adult who is desirous of spending money -- to stay committed to their pursuit of their education.

In 2004, five members earned master's degrees, five received a bachelor's degree, and two earned an associate's degree. Since the program began, more than 400 members have sought higher education. To date, 119 members have earned a post-high school degree—one PhD, 23 masters degrees, 40 bachelors' degrees, and 55 associate degrees. By comparison, only about 8 Nation members held such degrees prior to 1986. Members have pursued college degrees from schools as near as Syracuse University and as far as the American Indian Art Institute in Santa Fe, New Mexico.

### General Equivalency Diploma (GED) and External Degree Program (EDP) Courses

The Nation offers courses to assist any Native American, regardless of tribe, in earning his or her GED, which is the equivalent of a high school diploma. GED students must be 17 years of age or older whose high school class has already graduated. Students receive instruction in writing, social studies, science, math, literature and arts. The EDP program is for students who are at least 25 years old and allows adults to earn their high school diploma through credit from life and work experience if they can demonstrate what they have learned in areas including reading, writing, math, oral communication, self-development, consumer awareness and scientific awareness. Both programs are held on a weekly basis at the Education Resource Center in the City of Oneida. Students who earn their GED or EDP often continue onto college, trade or vocational school and secure better job opportunities. To date, 35 Native Americans, including 30 Oneida members, have completed their GEDs or EDPs through the Nation's program.

### *Independent School Initiative*

To meet the needs of talented and gifted children, the Nation formed a partnership with Manlius Pebble Hill, a local private school (pre-K through Grade 12) with outstanding levels of college placement for its high school graduates. Under this program, the Nation pays for the tuition, fees, and books for Oneida children who attend the school. To date, 27 Oneida children have participated in this program.

### Incentive Programs

The Nation's Education Department administers incentive programs for its children, youth and adult members to study, attain good grades, and complete their degree programs. Parents or students are required to send in a copy of their report cards to participate in this program. Incentives are in the form of gift certificates for good performance in the early years and cash rewards for high school, GED, and college graduations. The incentive program also encourages attendance as well as grades in the elementary and middle-school years.

In FY2004, the Nation distributed the following awards:

- 75 High school incentive awards (including 6 high school diplomas)
- 59 K-6 incentive awards
- 108 College incentive awards including 3 Bachelors Degrees, 4 Master Degrees, and 1 Associates Degree
- 11 GED incentive awards
- 24 Vocational awards

### Library

The Nation operates its own library located in the Education Resource Center, 55 Territory Road; it is open to Nation members and employees, and Health Center clients. There are approximately 11,450 items available in the library. A library card entitles one to borrow books, VHS and DVD videos, books on tape and access the Internet, all at no charge. The library has a children's room, reference section, and magazines as well as American Indian and non-Indian themed hardcover and paperback books, popular movies, and game/educational CDs. The library hosts a reading program at the Early Learning Center (twice weekly) and several Scholastic Book Fairs. The library participates in the Nation's after school program for children through crafts and projects. The library also hosts the Nation Elders for several events each year. The Nation funds the library's annual operations.

### Language Programs

The native tongue of the Oneidas has risked being lost because so few speak it. Prior to 2004, the Nation offered Oneida language courses on a weekly basis for members of all ages. However, the Nation realized that weekly lessons were not enough to gain language mastery and proficiency. As a result, in 2004 the Nation established a program to teach the Oneida language through the Berlitz method of intense language immersion. Six hour classes were taught five days a week by two fluent Oneida speakers from Canada. The immersion project has set as its goal the training of new teachers to broaden the number of skilled speakers for training purposes. In FY2005, there were seven student/teachers

trained in the Oneida Language and the Berlitz method of teaching that are prepared to teach another round of students. This program is fully funded by the Nation.

#### *Youth Work Learn*

The Youth Work Learn (YWL) program is a six-week summer work program for Native Americans from the ages of 12 through 20. The YWL program's chief purpose is to place young people into job situations to provide a greater appreciation of the skills and responsibilities of the working world and better prepare for the demands of the workplace. Several workplace expectations are communicated through the program: come to work on time; learn to accept responsibility; learn the skills necessary to complete assigned tasks; and be a contributing member of the work force. Various Nation departments, facilities and enterprises provided a diverse range of employment opportunities for youth including Sav-On gas station and convenience stores; Housing; Agriculture; Marion Manor; Extended Care; Recreation; Golf Course; Education, Cultural and Education Center; and Health Department.

In FY 2004, youth were also assigned to a "crew" that consisted of 13-year old Nation members. They were given a combination of education and job assignments, including First Aid and CPR training, financial management, classes in Native pottery as well as instruction in cultural crafts. The crew received instruction on Native American painting and then participated in a State Fair in which their paintings were entered. The crew's work component involved a range of jobs from weeding, to painting at Family Services, to working with the Elders Program, to doing various other "odd jobs". The crew also participated in an archaeological field study of an Oneida longhouse village, the Vaillancourt site, under the supervision of the Nation's archaeological historian. (see Section 3.6 on Cultural Resources)

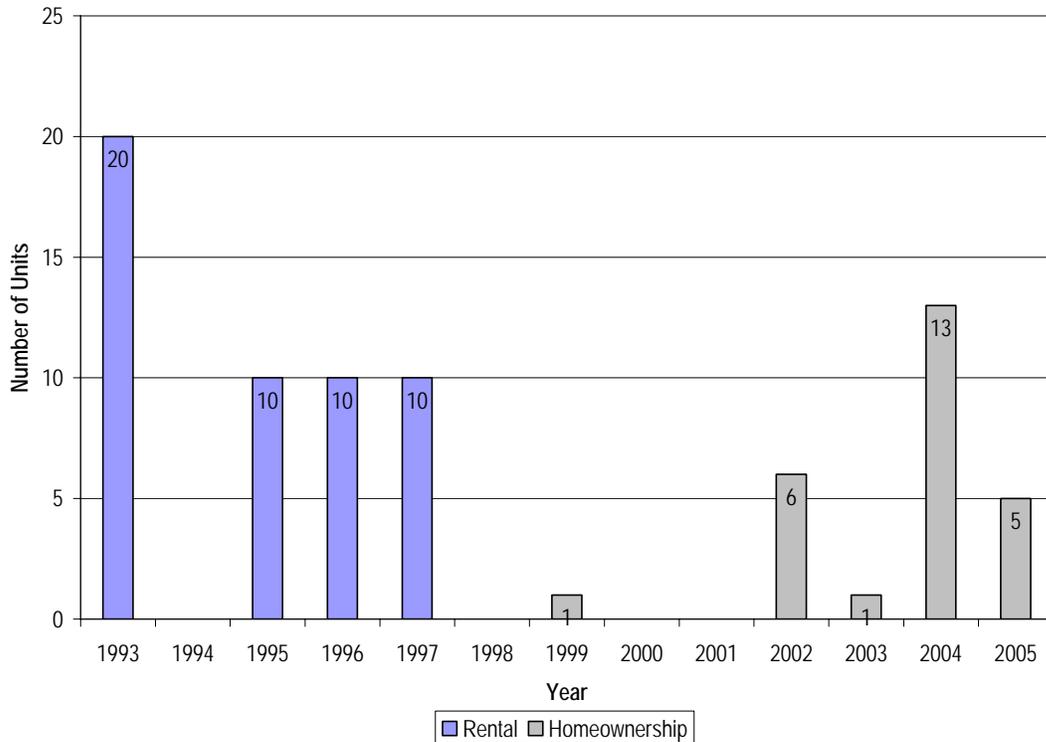
The Youth Work Learn program is funded by the BIA. A total of \$61,186 of Tribal Priority Allocation funding was set aside for Youth Work Learn in FY2005.

#### ***Housing Programs***

After performing an internal needs assessment, the Nation began offering offers both a homeownership and a rental program to allow members to live on Nation-owned land. Both programs are administered by the Oneida Nation Housing Corporation and funded by the Nation. While the Nation has been the sole source of funding for the Homeownership Program, the Rental Program receives federal funding and rental income in addition to Nation funding.

With the current total of 104 Nation housing units in the homeownership and rental programs, the number of Nation members who live on Nation owned-land has increased by 500 percent since 1990. Seventy-five of these units, including 50 rental and 25 homeownership dwelling units, are new construction (see Figure 3.7-11).

**Figure 3.7-11  
Newly Constructed Housing Units on Nation-owned Land  
1995 to 2005:**



Source: The Nation. (Unpublished)

The Nation’s Homeownership program, which was created in April 2001, allows Nation members to buy a pre-existing or new home on Nation-owned land. The Nation provides guidance throughout the home acquisition process and contributes a maximum of \$50,000 towards the purchase price of the home in the form of a forgivable loan. The land is held by the Nation. To qualify, members must meet credit and income requirements and provide at least a \$10,000 down payment. The Nation provides mortgage financing for the remaining balance. Members are fully-vested in the Nation’s \$50,000 contribution after 10 years. There are currently 36 members who have purchased a home through this program. The average size of a homeownership unit is 1,736 square feet. The addition of new construction and existing homes in the Homeownership Program from 2002 to 2005 is shown in Table 3.7-59.

Since its inception, the Nation has spent a total of \$1.3 million on the Homeownership Program, about \$0.1 million of which was paid for with Nation tax revenues. The total cost of acquisition, construction, and renovation of the homeownership units was \$3.9 million, \$1.7 million of which was funded by the Nation; the homeowners obtained a

mortgage for the remaining amount. Additionally, the Nation financed \$1.5 million of the homeowners' mortgages. The remainder was financed by outside sources.

**Table 3.7-59  
Homeownership Program for Oneida Members  
2002 to 2005**

	New Construction	Existing
1995	0	1
1999	1	0
2002	6	4
2003	1	2
2004	13	2
2005	5	0
2006	1	0
<b>Total</b>	<b>27</b>	<b>9</b>

Source: The Nation. (Unpublished)

Note: The houses closed in the 1990s were not part of the Homeownership Program but served as test cases for the program.

Currently there are 66 households on the program's waiting list. Most of these households currently live in New York. There are currently six one-acre building lots available in the Village of the White Pines, which offers in-place infrastructure. The Nation plans to build a total of 15 units a year until the demand has been met. In addition, when the Nation buys land with an existing residence and intends to use this land for housing, the residence and two acres of the land become available to members on the waiting list.

The Nation's Rental Program currently consists of 68 units (see Table 3.7-60). All Native Americans are eligible to participate in the Rental Program but Nation members receive priority. All units in the Nation Rental Program are currently occupied by Nation members and their families. There are 50 rental units in the Village of White Pines, 20 of which are fixed-rent townhouse units, 10 are duplexes reserved for the elderly, and 20 are income-based single-family homes. The townhouses are 2- or 3-bedrooms and are 1,120 to 1,756 square feet. The 2-bedroom elders' duplexes are 1,306 square feet. The single-family homes are 3- or 4-bedrooms and range from 1,278 to 1,395 square feet. The remaining 18 households live in existing fixed-rent properties on Nation land outside the Villages of the White Pines. The units are 2-, 3-, or 4-bedrooms and are 900 to 2,040 square feet.

Since 1998, the Nation spent about \$1 million on the Rental Program, about 25 percent of which came from Nation taxes. The Rental program has generated \$889,200 in rental income between 1998 and 2005.

The elders duplexes and the single-family homes were constructed in 1993 and 1995 as part of the HUD HOME Investment Partnership Program. The Nation paid \$1.9 million out of the \$8.2 million construction cost of the elderly duplexes. The construction of the fixed-rent townhouses was completed in 1998; the Nation paid 98 percent of their \$1.8 million construction cost.

**Table 3.7-60  
Nation’s Rental Program: Type, Units, Bedrooms, Size and Location**

Type	Number of Units	Number of Bedrooms	Size (SF)	Location
Fixed Rent Townhouses	20	2 or 3	1,120SF to 1,756 SF	Village of the White Pines
Elders Duplexes	10	2	1,306SF	Village of the White Pines
Single-family homes	20	3 or 4	1,278SF to 1,395SF	Village of the White Pines
Single-family homes	18	2, 3, or 4	900SF to 2,040 SF	Nation land outside the Village of the White Pines

Source: The Nation (unpublished).

The current waiting list includes 80 households who are interested in fixed-rent housing and 59 who applied for an income-based rental unit. Most applicants currently reside in New York State but some reside as far away as the West Coast.

Land Groupings

The Nation grouped its land into three categories for the purpose of the Trust Application. Group 1 includes two rental units. Group 2 lands, which include the Nation’s Village of the White Pines, have 65 rental units and 18 homeownership units. An additional 13 homeownership units are located in Group 3. One rental unit and five homeownership units are not located on Group 1, 2, or 3 lands and are thus not part of this application.

Nation Housing Program: Estimated Population and School-Age Children

The Nation housing program is composed of a mix of housing types dispersed throughout several jurisdictions. The physical characteristics of the housing units vary, but they are primarily made up of renter-occupied two, three and four bedroom units.

Demographic multipliers were created to estimate the population generated by the Nation housing stock. Multipliers for average household size were created using the Census 2000 Public Use Microdata Sample (PUMS) for the region that includes Madison and Oneida Counties. Tables 3.7-61 and 3.7-62 below show the estimates derived to reflect the variety of housing types. Multipliers were derived after controlling for building type, tenure, number of bedrooms and when the structure was built.

Table 3.7-63 below provides an overview of the numbers of residents associated with the various types and numbers of units by Groups and jurisdictions. Currently, it is estimated that approximately 304 residents live in the Nation’s housing units. The household size varies by housing type and tenure, but the overall average is 2.92 persons per household.

**Table 3.7-61**  
**Household Size Multiplier by Bedroom and Structure Type**  
**Oneida and Madison County Region, 2000**

Bedrooms	Homeowner Program	Rental		
		Single Family	Townhouses	Elder Duplexes
2	N/A	1.99	1.83	2.13
3	2.95	2.85	3.31	N/A
4	3.86	3.63	N/A	N/A

Source: U.S. Census 2000 Public Use Microdata Sample (PUMS); The Louis Berger Group, Inc., 2006.

According to the Nation, about 58 children who live on Group 1,2 or 3 lands attend public schools. (This does not include an additional seven children living on the Territory.) An estimated 70 percent of these children attend schools that are part of the Oneida School District while the remainder attends the Stockbridge Valley School District.

***Family Services***

The Nation provides child care, elders programs and a social services program. The child care and elders programs are located in the Ray Elm Children and Elders Center, which is located in the Villages of the White Pines. The 35,000 square feet Center was designed in a way to provide easy mixing between the two generations. The \$10.3 million construction, which was completed in 1999, was fully funded by the Nation.

***Early Learning Center***

The Early Learning Center (ELC) is a day care center operated and funded by the Nation that provides care to children from the ages of six weeks to 12 years old on a full or part-time basis. The ELC is accredited by the National Association for the Education of Young Children (NAEYC), the U.S.'s largest organization of early childhood educators.

**Table 3.7-62  
Nation Housing Program:  
Estimated Population  
by Group Lands and Municipality, 2005**

Village, City or Town	Total Units	Number of Units by Building Type					Residents
		Home-owners	Single Family Houses	Town-houses	Elders Duplex	Nation Rental	
Group 1 Verona	2					2	6
Group 2 Canastota	2	1				1	6
Lenox	7	5				2	23
Oneida	56	4	20	20	10	2	146
Sherrill	3	1				2	9
Vernon	1					1	3
Sullivan	1	1					3
Verona	14	7				7	44
Group 3 Lincoln	3	3					10
Stockbridge	10	10					34
Unassigned Verona	1					1	3
Oneida	5	5					17
<b>Subtotals</b>							
Group 1	2	0	0	0	0	2	6
Group 2	83	19	20	20	10	15	234
Group 3	13	13	0	0	0	0	48
Unassigned	6	5	0	0	0	1	20
<b>Totals</b>	<b>104</b>	<b>36</b>	<b>20</b>	<b>20</b>	<b>10</b>	<b>17</b>	<b>304</b>

Source: U.S. Census 2000 Public Use Microdata Sample (PUMS); The Nation, 2006; The Louis Berger Group, Inc., 2006.

Children of Nation members, other Native Americans and employees of the Nation are eligible for Early Learning Center's services. The ELC served a total of 89 children in 2005 (with summer enrollments) including 31 member children, 53 children of Nation employees, and 5 Other Native American children. Autumn enrollment in FY 2006 included 20 member children, 43 employee children and three other Native American children. Demand for the ELC exceeds the facility's capacity. There are currently 27 families on a waiting list (including Summer 2006 care) including three members, 20 Employees and four Other Native Americans.

The ELC offers an after-school program during the academic term and a summer program for children in Kindergarten through 12 years old. The after-school program for school-age children can accommodate up to 20 children at any given time. In FY 2005, the program averaged between 15-20 children for the summer term.

The Nation has contributed a total of \$2.5 million to the Early Learning Center since its inception, \$1.9 million of which came from Nation tax revenues. Child care fees provided an additional \$1.3 million of Center revenues. The Center does not receive federal grants.

Teaching staff participated in hundreds of hours of training and workshops covering various topics in early childhood education. As reported in *Oneida Nation Annual Report* for the year October 2003 to September 2004, two of the center’s teaching assistants earned their Child Development Associate (C.D.A.) credentials in FY 2004. During this period, the State University of New York Medication Administration Training (M.A.T.) was also delivered to full-time ELC teaching staff, in compliance with state requirements for medication administration in childcare facilities. Several events were held including monthly teacher team meetings, quarterly staff meetings, parent-teacher conferences, parent advisory meetings, family nights and other outreach tools, such as annual parent surveys, were undertaken to ensure feedback at all levels.

Elders Program

The Elders Program, which is organized by the Nation’s Family Services Department, provides social, recreational, educational, and nutritional services for the Nation’s Elders and their guests. Services include congregate lunches five days a week and soup and sandwich suppers twice weekly. Program activities include crafts, ceramics, pottery, quilting, a beauty salon, grocery shopping and trips to both local and out-of-town attractions. The program is partially funded by the Nation. Since the program’s inception, the Nation has contributed a total of \$1.9 million.

In FY2004, overnight trips were organized to visit Valley Forge and the Penobscot Nation (in Maine) and the St. Regis Mohawk Tribe at Akwesasne. Various conferences and workshops are organized for the Elders that focus on the medical, social and emotional aspects of aging. A yearly conference, “Aging Well”, is held each spring at the Children and Elders Center in conjunction with the New York Geriatric Center of New York University. Recent trends in the delivery of services are shown in Table 3.7-63.

**Table 3.7-63  
Elders Program Activities, 2001-2005**

Activities	2001	2002	2003	2004	2005*
Meals	4,244	4,776	4,712	5,251	4,872
Information/Referral	1,712	1,757	2,306	2,427	2,318
Cultural Activities	157	355	308	119	571
Intergenerational	139	126	64	79	193
Special Events	1,002	1,133	1,012	1,084	1,265
Nutrition Education	227	257	187	189	207
Health Education	149	135	92	92	433
Trips	205	297	331	412	362

Note: \* Thru October 31, 2005.  
Source: The Nation (unpublished), 2005.

The Elders Program is targeted to Oneida members but the Program’s services are extended to guests thereby benefiting seniors in the surrounding region. An unduplicated count of the Elder Program clients was prepared for the first ten months of 2005:



- Oneida Elders – 59 persons
- Oneidas less than 55 years – 105 persons
- Guests 55 years and older – 198
- Guests less than 55 years of age – 264 persons of which 53 persons are Oneida family members
- A total of 4,872 meals were served to 540 people

There are an estimated 168 Nation members who are regarded as Elders – Nation members over the age of 55.

*Pathways Program/Family Services Department*

Pathways is a social services and community enrichment program organized by the Oneida Nation Family Services Department. The program connects families and individuals to other services in the greater Oneida community and is open to Health Center clients at no charge. In FY 2005 the program was funded with the BIA Tribal Priority Allocation (TPA) Grant (\$115,196).

The Pathways program teaches participants necessary life skills including:

- Financial and budgeting skills
- Maintain unity with community, family and friends
- Understand insurance and how it works
- Secure financial benefits and resources
- Explore education and career goals
- Brainstorm ways to remove barriers to success
- Develop goals that focus on values, abilities, and skills
- Locate affordable housing
- Access to cultural resources
- Access to health and community resources
- Recognize and celebrate each success
- Use self-empowerment to find the path to peace and harmony

Through eleven months of 2005, the Pathways program served 77 persons, including 41 new clients since January 2005. The significant majority of these clients came from Madison County (61%) followed by Onondaga County (28%) with a smaller number of clients from Oneida County, Herkimer County, and Oswego County (see Table 3.7-64).

**Table 3.7-64**  
**The Nation, Pathways Program**  
**Client County of Residence, 2005**

County	Percent of Clients
Madison	61%
Onondaga	28%
Oneida	5%
Other	4%
Unknown	3%

Source: The Nation, unpublished, 2005

From April 2004 through December 2005, the Pathways program’s services to individuals included information and referral, family services, legal services and advocacy, and services related to housing and shelter (see Table 3.7-65).

**Table 3.7-65**  
**The Nation, Pathways Program Services**  
**April 2004 to December 2005**

Service	Number of Individuals
Information and Referral	45
Family Services	26
Advocacy/Legal Services	24
Housing, Home Modification and Shelter	17
Vocational	15
Children’s Services	13
Transportation	10

Source: The Nation, unpublished, 2005

***Recreation and Cultural Enrichment***

To preserve the Oneida culture and identity and to give others the opportunity to learn about it, the Nation’s cultural activities range from commissioning a statue at the Smithsonian that commemorates the Nation’s role during the Revolutionary War to a cultural center on Nation Territory to language programs and archeological studies. These are discussed below.

The Education Department offers recreation programs for Nation members, Health Center clients, and employees.

*Smithsonian Institution’s National Museum of the American Indian*

The Smithsonian Institution opened the National Museum of the American Indian on the National Mall in Washington, D.C., in September 2004. The Nation helped make the Smithsonian museum a reality by pledging \$10 million over a period of ten years. Additionally, the Nation commissioned a 19½ foot tall bronze statute, which commemorates the Nation’s role on the side of Continental Army in the Revolutionary War, to stand on the fourth floor of the museum, which is named for the Nation.

### Shako:wi Cultural Center

The Shako:wi Cultural Center is a hand-crafted white pine log building, located on Oneida Territory, filled with items and stories from the past and present that show the story of the Oneida people. The Cultural Center explains the role that the Nation played as the first allies of the colonists during the American Revolutionary War, among other themes. Also, a wide selection of Oneida crafts and art are displayed. The Cultural Center is used for gatherings and presentations about the Nation and their traditions. The Center is open every day except holidays, allowing people the ability to learn about the Nation and the Iroquois heritage. In FY 2005, the Center attracted 5,762 visitors, including groups from local schools and colleges.

The \$763,000 construction cost and the annual operations of the Center are funded by the Nation. The Nation has spent more than \$1.2 million on the Cultural Center's operations, \$0.5 million of which was funded with Nation tax revenues. The Center has also received an additional \$0.2 million through donations and gift shop sales but has not received any federal funding.

### Language Programs

The Oneidas have developed a language immersion course, training instructors and developing a training curriculum. The program has been fully funded by the Nation since its inception and has received \$1.2 million from the Nation (including \$0.8 million of Nation tax revenues). Further information about the curriculum can be found above in the Section 3.7.5.1 on education.

### Cultural Artifacts

The Nation places great emphasis on the preservation of its cultural heritage and to that end it employs an in-house archaeologist/historian to oversee the Nation's collection of archeological artifacts and oversee cultural resource investigations for the Nation. The collection has grown significantly over time. The program is fully funded by the Nation and has received a total of \$0.4 million from the Nation since 1998. Some of the artifacts are exhibited at the Shako:wi Cultural Center. (See Section 3.6 Cultural Resources.)

### Sports and Recreation

The Recreation Center and Gymnasium, a \$1.2 million construction project that was fully funded by the Nation in 1994, offers a wide range of activities from youth lacrosse to personal fitness sessions. Since FY1995, the Nation has spent a total of \$3.0 million on the Center's operations.

All activities are free of charge, except Lacrosse for which there is a registration fee. The Fitness Center is open to Members, employees, and to Health Center clients that are 16 years and older. The facilities include treadmills, stationary and recumbent bikes, elliptical

cross trainers, stair stepper, a total body gym, free weights and Pilates balls. Locker rooms and showers are located on-site. The facility had more than 4,800 visitors in FY2005.

Lacrosse is a sport invented by the Iroquois Confederacy, of which the Nation is a member. As part of the Nation's cultural renaissance, the rituals and practices of the game have been brought back into the daily lives of Oneidas after decades of poverty and alienation. Today the youth team, the Silverhawks, compete again with other Haudenosaunee (Iroquois) teams in the North American Minor Lacrosse Association (NAMLA). The Nation also sponsors a lacrosse stick-making class. The Oneidas custom-design their lacrosse sticks in an exacting process of shaping hickory wood cured for nearly two years.

#### After School Program

The Education and Recreation departments sponsor an After School Program that is held Monday through Friday and is open to members and Health Center clients in grades 5-12. The program includes homework assistance, tutoring, arts and crafts, games, and sports. In FY 2005 the program was partially funded by the Nation.

#### **Public Safety - Police**

Formed in March 1993, the Oneida Nation Police Department is a law enforcement agency that provides a full range of police services to Nation members, employees, and visitors. Services include responding to crimes, vehicle accidents and security and fire alarm activations on Nation land, patrolling Nation land, and providing security at events, school bus stops, council meetings, and courts. Prior to the establishment of the Nation Police Department, the obligation to provide police protection for Nation members exclusively fell upon state and local law enforcement agencies.

The Oneida Nation Police Department currently consists of 45 highly-trained federal Deputy Special Officers commissioned through the BIA, including 38 sworn full-time officers and seven other employees. The Nation seeks to recruit veteran law enforcement professionals with experience as state troopers, police chiefs, sheriffs, deputies, or municipal police officers.

Since FY1995 the Nation spent a total of \$21.8 million on its Police Department. The Department received additional funds through a law enforcement grant from the BIA.

The department includes a full-time training coordinator who researches the department's training needs and ensures that the training curriculum meets the standards of the Commission on Accreditation for Law Enforcement Agencies (CALEA) and the BIA. The department's curriculum also meets the New York State standards. Every officer is required to attend at least 40 hour of training each year, with four police officers who joined the force in 2004 completing a combined total of 640 hours in their first year. In 2004 training included defensive driving classes, counterfeit money identification and

crime scene investigation training by the FBI, training on infection control by the New York State Department of Health, specialized training for CALEA officers, and training on child abduction and counter-terrorism. All police responses are reviewed on a regular basis to assess response time, courtesy, decision-making, results achievement, and ability to develop creative and cost-effective solutions.

The Oneida Nation Police Department has received accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA), an independent accrediting authority that was established in 1979 by the four major law enforcement membership associations (the International Association of Chiefs of Police, the National Organization of Black Law Enforcement Executives, the National Sheriffs' association, and the Police Executive Research Forum). The Nation received its initial accreditation in November 1998 and was accredited for the third time in March 2005. Accreditation is based on compliance with a set of professionally-recognized criteria for excellence in management and service delivery. State and local government law enforcement agencies are eligible for certification as are specialized law enforcement agencies, such as transit police. Currently the Oneida Nation Police is the only accredited tribal police agency in the U.S. and there are only about seven other agencies that are CALEA accredited in New York State.

In 2004 the Department received 11,031 calls for police assistance that resulted in a police response, an increase of 14 percent compared to 2001 (see Table 3.7-66). Approximately half of the calls were categorized as "Other non-criminal", which includes various requests of assistance including traffic or weather-related assistance and medical assistance. The second largest category of police activity was responding to criminal complaints, almost half of which were gas drive-offs. Other categories of police activity included responding to false fire and security alarm activations and motor vehicle accidents. Risk management calls are a subset of the "other non-criminal" category and include responses to injuries and damages.

A detailed review of 2003 police service calls by location was compiled by the Nation in a Memorandum to Arthur Pierce, Commissioner (April 8, 2004). The largest share of calls for service (48%) was received from the retail sites, which include the gas stations and the marinas. The Turning Stone Resort & Casino and golf-related sites generated 33 percent of the calls. Government, residential and public service locations generated the remaining 19 percent of calls.

Criminal complaints in the first three quarters of 2005 show that larceny, which includes gas drive-offs, accounted for 88 percent of the total (see Table 3.7-67). Other offenses were disorderly conduct and vandalism. None of these offenses were drug-related.

**Table 3.7-66**  
**Police Activity, 2001-2004**  
**Oneida Nation Police Department**

Police Activity	2001	2002	2003	2004	Change 2001-2004
Total Calls for Service	9,660	11,176	12,130	11,031	14.2%
Criminal Complaints	3,491	4,125	4,533	5,478	56.9%
Larceny - Gas Drive-Offs	2,849	3,282	3,553	2,417	-15.2%
Motor Vehicle Accidents	237	232	251	226	-4.6%
False Alarms	467	533	504	560	19.9%
Other Non-Criminal	5,465	6,286	6,842	5,601	2.5%
Risk Management Calls	315	351	507	528	67.6%

Note: 2004 data does not add correctly because 2004 detailed police activity counts are approximate; 2004 number of total calls is exact.

Source: Oneida Nation Police Department

**Table 3.7-67**  
**Criminal Complaints, First 3 Quarters of 2005**  
**Oneida Nation Police Department**

Offenses	Number	Percent
Larceny (includes gas drive-offs)	2,098	88%
Disorderly Conduct	82	3%
Vandalism	74	3%
Suspicious Person	51	2%
Not classified	21	1%
Assault w/o weapons	18	1%
Forgery/Counterfeiting	12	1%
Motor Vehicle Theft	5	0%
Domestic Violence	3	0%
Burglary	3	0%
Aggravated Assault	2	0%
DWI	2	0%
<b>Total</b>	<b>2,371</b>	<b>100%</b>

Source: Oneida Nation Police Department, 2005

In addition to uniform police officers, the Nation maintains a Bureau of Investigation (BOI) whose responsibilities include all felony grade crimes and serious or significant misdemeanor offenses and subsequent arrests. The BOI caseload is primarily involved with conducting background investigations for all levels of employment within the Nation's enterprises, government administration and the Turning Stone Resort & Casino, including Tribal child care workers in accordance with BIA guidelines and regulations.

The BOI provides assistance as needed to local and federal law enforcement agencies and dignitary protection at important events, among other activities.

The Oneida Nation Police Department's jurisdiction is limited to Nation land. Previously, deputization agreements with the Madison and Oneida County Sheriffs enabled the Nation Police to make arrests of non-Native Americans on Nation land and use the state court system. Currently, Nation police can detain any subject but can only charge Native American subjects.

Only Native Americans can be summoned to appear in Oneida Tribal Court. Since 1993, the Oneida Nation Police Department has brought a total of 22 cases to the Tribal Court that resulted in four incarcerations.

Pursuant to two federal statutes – 25 U.S.C. §§ 232 and 233 – that concern only New York State, New York state courts have civil and criminal jurisdiction regarding crimes and disputes that arise on Indian land and that concern individual Indians. New York State police may arrest individuals, including Indians, for state offenses occurring on Indian lands.

#### **Public Safety - Fire**

The Nation has developed service agreements with the Verona Fire District and the Village of Canastota to address fire safety issues. More information about the history and terms of these service agreements are described in Section 3.7.7.3.

#### **3.7.5.2 Nation Enterprises**

The Nation operates a variety of businesses to fund its government programs. These enterprises include the Turning Stone Resort & Casino, the Inn at Turning Stone, SavOn gas stations and convenience stores, Standing Stone Gaming, marinas, the Villages at Turning Stone RV Park and Peaceful Pines Campground, agricultural properties, the Smoke Shop, Four Directions Media, Inc., and Four Directions Entertainment.

As a sovereign government, the Nation has elected to tax certain products and services sold by its enterprises in order to defray the cost of certain tribal government programs and services. A retail sales tax and a hotel occupancy tax are collected on business transactions; the tax is then used to fund services for its members.

- **Sales Tax.** A 5 percent sales tax is levied on all items that are normally subject to the New York State sales tax, with a few exceptions. A Nation government tax ordinance obligates the Nation to devote all sales tax revenues to the provision of governmental services and the discharge of governmental obligations. No portion of the sales taxes collected can be expended in pursuit of commercial activities. In 2005, the Nation collected approximately \$3.8 million in sales taxes.
- **Hotel Tax.** The hotel tax is 3 percent (same as Oneida and Madison Counties) and must be used to promote tourism and economic development within the Nation's

reservation and Central New York. The Oneida and Madison County occupancy tax ordinances similarly obligate the municipal governments to use the collected occupancy taxes to promote tourism. In 2005, the Nation collected approximately \$400,000 in hotel taxes.

As can be seen in Table 3.7-68, the source of sales tax revenues in FY2005 was about evenly split between the SavOn gas stations and convenience stores and the Turning Stone Resort & Casino. These tax revenues are used to supplement Nation governmental programs and activities for members and other Native Americans. In FY2005, the Nation sales tax supplemented Early Childhood enhancement, the Children and Elders Center, and teaching the Oneida language, among other programs. The largest use of the sales tax was for Members Benefits for Nation members.

**Table 3.7-68  
Oneida Tax Collection and Uses of Funds**

					Percentage of Total Sales Tax	
	2002	2003	2004	2005	2002	2005
Sales Tax Collected from:						
Turning Stone	\$995,765	\$1,268,659	\$1,386,852	\$1,795,115	36.7%	47.0%
SavOn	\$1,597,643	\$1,938,869	\$1,900,730	\$1,902,428	58.9%	49.8%
Other Retail	\$120,758	\$130,089	\$125,962	\$122,494	4.4%	3.2%
Total Collected	\$2,714,166	\$3,337,617	\$3,413,544	\$3,820,037	100.0%	100.0%
Annual Growth Rates		23.0%	2.3%	11.9%		
Applied to:						
Early Childhood	\$373,507	\$459,302	\$514,065	\$575,281	13.8%	15.1%
Elders Program	\$142,297	\$174,983	\$138,421	\$154,904	5.2%	4.1%
Recreation	\$145,990	\$179,524	\$205,939	\$230,453	5.4%	6.0%
Cultural Center	\$92,970	\$114,325	\$120,343	\$134,673	3.4%	3.5%
Housing Corp.	\$44,091	\$54,218	\$113,267	\$126,755	1.6%	3.3%
Children & Elders Center	\$230,924	\$283,967	\$441,036	\$493,556	8.5%	12.9%
Legal Services	\$303,895	\$373,700	\$347,121	\$388,457	11.2%	10.2%
Community Relations	\$225,182	\$276,907	\$0	\$0	8.3%	0.0%
Youth/Work/Learn	\$58,344	\$71,746	\$8,349	\$9,343	2.1%	0.2%
Language	\$0	\$0	\$368,509	\$412,392	0.0%	10.8%
Living History	\$0	\$0	\$80,005	\$0	0.0%	0.0%
ICT Outreach	\$0	\$0	\$0	\$89,532	0.0%	2.3%
Member Benefits	\$839,614	\$1,032,475	\$928,237	\$1,038,774	30.9%	27.2%
Men's Council	\$257,354	\$316,468	\$148,252	\$165,906	9.5%	4.3%
Use of Taxes Collected:	\$2,714,168	\$3,337,615	\$3,413,544	\$3,820,026	100.0%	100.0%

Source: Nation Unpublished, 2005.

Although the U.S Supreme Court, in *Department of Taxation and Finance of N.Y V. Milhelm Attea & Bros.*, 512 U.S. 61 (1994) , authorized the imposition of taxes on non-Indian purchaser of goods sold from Indian reservations, the State of New York does not

currently require reservation-based enterprises to collect or remit sales and excise taxes on the sale of retail merchandise, including fuel and tobacco. As a result, the Nation's retail operations have a competitive advantage compared to other local businesses that are subject to State taxation. This competitive advantage is most pronounced when a commodity is heavily taxed by the State, which is the case as to cigarettes and automotive fuels in New York State. Thus, the SavOn stores can sell these products at prices lower than those charged by non-Indian stores.

Last year the State Legislature, over Governor Pataki's veto, passed a law requiring the pre-payment of fuel and cigarette taxes by wholesalers who supply products to reservation-based convenience stores. Although that law was scheduled to take effect on March 1, 2006, it has not been implemented by the Governor and the Department of Taxation and Finance. In May 2006, the New York Association of Convenience Stores (NYACS) sued the Department of Taxation and Finance to enforce the new law, although a similar effort was rejected by the New York State Courts in the late 1990s (*New York Association of Convenience Stores v. Urbach*, 712 N.Y.S. 2d 220 (N.Y. App. Div. 2000)).

Concerns have been raised regarding the legality of the new statute. Specifically, questions have been raised regarding the enforceability of the statute, the potential disparate treatment of Native American consumers, and the possible unlawful interference with interstate and tribal commerce in violation of the Federal Constitution. Given the sovereign status of, and general inapplicability of state laws to, Indian nations, it appears that the policy of the Pataki Administration is that this tax issue should be resolved not by unilateral enforcement but through bilateral agreements—"tax compacts"—with Indian nations, similar to agreements concluded between other states and Indian nations. One such compact agreement was negotiated in Washington State with the Tulalip Tribes (May 23, 2002).

Since the 1990s the Nation and New York State have worked on creating a compact to address taxation of items sold by the Nation to non-Indians. In 1997 the negotiations led to an Interim Tax Agreement that was signed by both parties but never finalized. After a hiatus of several years, new negotiations in 2001 ended with agreement on nearly every major issue but did not lead to a signed compact.

The proposed compact between the Nation and the State outlined what is essentially a tax parity agreement which has the following key elements or principles:

- No State sales tax on items sold by the Nation or its members on Nation land;
- Nation imposes its own sales and excise taxes and the Nation tax rates must, at all times, meet or exceed the tax levied by state and local governments; and
- All sales and excise taxes must be devoted to Nation government purposes.

A tax parity agreement would result in an increase in cigarette and gasoline prices at the Nation's retail stores, which means that the Nation would lose most of its current competitive price advantage. (Tax parity agreements between Indian Nations and State governments are common. The State of Nevada and several of its residents tribes have been operating under such agreements for more than two decades. The State of Washington over the past several years has concluded tax parity agreements with the majority of its twenty-four Indian nations within its borders) With higher retail prices, the Nation anticipates that its market share would be significantly diminished -- many existing customers would simply choose to buy their cigarettes and gasoline from a nearby non-Indian store since it would no longer be cost effective for them to travel out of their way to patronize a SavOn gas station and convenience store. Although the Nation would keep all tribal taxes collected from retail customers, it would be precluded from using those tax revenues for commercial purposes. While a tax parity agreement is expected to significantly reduce the net profitability of the Nation's retail outlets, it would settle a contentious tax issue with the State and remove some legal uncertainty surrounding SavOn gas stations and convenience stores, thereby furthering the Nation's goals of economic diversification and providing a secure, non-gaming revenue source, other than gaming, for its government programs. The Nation's continued ability to provide services and benefits to its members will simultaneously reduce the burden on federal, state and local governments to provide services to Nation members. .

### ***Turning Stone Resort & Casino***

The Turning Stone Resort & Casino is a multi-faceted destination resort, offering gaming, golf, dining, accommodations, entertainment, meeting and conference space, and spa facilities. There are more than 120,000 square feet of gaming space, three 18-hole golf courses and two 9-hole courses, 100,000 square feet of meeting space, six different types of lodging accommodations ranging from campgrounds to luxury suites, a 5,000-seat event performance space, and a full-service spa and salon. The Nation's Turning Stone Resort & Casino operations reported revenues of more than \$300 million in FY2005.

### ***Visitor Trends***

As the Turning Stone Resort & Casino developed and expanded over time, so did the number of visitors. In FY 2005, almost 4.5 million people visited - more than twice as many as in FY 1995 (see Figure 3.7-12). The Turning Stone Resort & Casino projects that its visitor population may reach 5.56 million annually by 2011 in review of trends and recent investments to enhance the amenities of the resort for overnight visitors (e.g., a spa, swimming pool, tennis and squash courts and a nightclub).

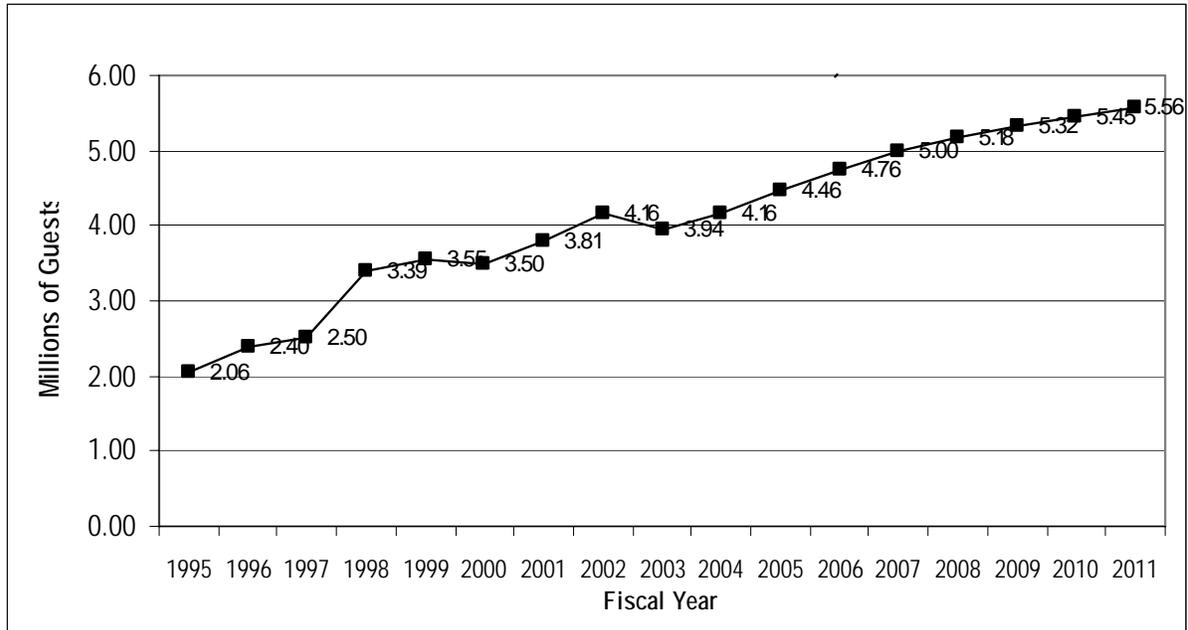
The Turning Stone Resort & Casino draws visitors from an "inner market" which are visits from persons driving less than 1 and one-quarter hours and "outer markets" -- those living elsewhere in New York State and outside New York State. Turning Stone Resort & Casino analyzes its markets through review of the residential location of registered multi-

game players, which includes the vast majority of multi-game players. Residential location data is not available for visitors who are not registered.

Visitors from Utica (39.0%) and Syracuse (35.5%) account for the majority of visits, followed by visitors from Albany (6.8%) and Binghamton (5.1%). Table 3.7-69 shows a comparison of the residential location of visitors between FY 2001 and FY 2005. Inner market visits grew by 42.8 percent between FY 2001 and FY 2005 and accounted for the largest number of trips in both years. During the same time period, there was a 27.4 percent increase in outer-market visits.

With the exception of Buffalo and Rochester, the number of visitors from every area has been increasing. The most likely reason for the decline in visitors from Buffalo and Rochester is the recent opening of the Seneca Niagara Casino in Niagara Falls, New York, which is closer to the Buffalo and Rochester markets than the Turning Stone Resort & Casino and as a result visitors are choosing to visit the casino nearer to home.

**Figure 3.7-12**  
**Number of Visitors to the Turning Stone Resort & Casino**  
**Historic Trends, FY1995-FY 2005 and Projections through FY2011**  
**(in Millions)**



Source: Nation Enterprises, 2005.

### Lodging Facilities and Trends

The Nation operates five different lodging facilities to accommodate a wide range of preferences and budgets ranging from campgrounds to luxury suites.

- The Lodge—The Lodge, opened in April 2004, is a 98-suite luxury boutique hotel located near two of the golf courses with high speed internet.
- The Tower at Turning Stone—At 21 stories, the Tower at Turning Stone is the tallest building between Albany and Syracuse. The Tower, which opened in October 2004, contains 287 rooms, seven of which are luxury 1,000 square-foot VIP suites, a full fitness center, and 2,400 parking spaces.
- The Hotel—The Hotel, which opened in September 1997, is one of the largest hotels in Central New York with 268 rooms. It features rooms ranging from a standard guest room to luxury suites with amenities such as Jacuzzis and balconies.
- The Inn at Turning Stone—The Inn, purchased by the Nation in 1999, is a moderately priced alternative to The Hotel. It has 62 rooms and offers a continental breakfast and free shuttle to the Turning Stone facilities.

**Table 3.7-69  
Visitor Origin for Turning Stone Resort & Casino  
FY 2001 and FY 2005**

Area	Percent of Total Trips	Percent of Total Trips	Percent Change in Number of Trips
	FY 2001	FY 2005	FY 2001-05
<b>Outer Market Visitors<sup>1</sup></b>			
Albany	7.0%	6.8%	36.9%
Binghamton	4.7%	5.1%	51.4%
Buffalo	1.3%	0.8%	-13.2%
Glens Falls	0.9%	0.7%	14.4%
Kingston	0.6%	0.6%	58.0%
Rochester	5.6%	3.2%	-19.5%
Watertown	1.5%	1.3%	28.2%
Connecticut	0.1%	0.2%	131.6%
N. Connecticut	0.0%	0.1%	156.6%
Massachusetts	0.1%	0.2%	148.3%
New Jersey	0.2%	0.2%	75.3%
New York City	0.6%	0.7%	67.3%
Ohio	0.1%	0.1%	64.5%
Pennsylvania	1.0%	1.3%	83.0%
Vermont	0.1%	0.1%	140.8%
<b>Total</b>	<b>23.6%</b>	<b>21.5%</b>	<b>27.4%</b>
<b>Inner Market Visitors<sup>2</sup></b>			
Utica	38.7%	39.0%	41.0%
Syracuse	34.3%	35.5%	44.7%
<b>Total</b>	<b>73.0%</b>	<b>74.4%</b>	<b>42.8%</b>
<b>Other</b>	<b>3.4%</b>	<b>4.0%</b>	<b>65.8%</b>
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>39.9%</b>

Source: The Nation, Unpublished

1. Outer Market visitors include persons traveling from outside Central New York or beyond 1+ hour drive.

2. Inner Market visitors include persons traveling less than 1<sup>1/4</sup> hour drive.

- The Villages at Turning Stone Recreational Vehicle Park and Peaceful Pines Campground—The Villages at Turning Stone RV Park and Peaceful Pines Campground and RV Park offer campers sites and entertainment opportunities at affordable prices. Both facilities are located near the Turning Stone Resort & Casino and offer free shuttle service. The RV park has 175 paved sites with full utility hook-ups with nature trails, a recreational area for bocce ball, horseshoes,

tennis, basketball and volleyball, a heated pool and Jacuzzi and separate ponds for paddle boating and fishing.

The number of guests choosing to stay overnight has increased from 244,068 to 323,175 from FY2002 to FY2005, a 32 percent increase (see Table 3.7-70). Figures for lodging occupancy in FY2002 and FY2003 are based on guests staying in the original hotel, which opened September 1997, and the Inn at Turning Stone. Occupancy increased in FY2004 and FY 2005 as the new luxury hotel, the Lodge, opened in April 2004 and floors of the hotel tower opened in October 2004. The large increase in lodging numbers confirms that a growing number of visitors view Turning Stone Resort & Casino as a destination resort and are being drawn from further away, thus necessitating an overnight visit.

**Table 3.7-70  
Total Lodging Guests, FY2002-FY2005**

Lodging Facility	FY2002	FY2003	FY2004	FY2005
Hotel and Tower	196,239	169,031	167,341	269,768
Lodge			10,673	21,720
Inn	47,829	37,031	36,828	31,687
<b>Total</b>	<b>244,068</b>	<b>206,062</b>	<b>214,842</b>	<b>323,175</b>

Source: The Nation, unpublished.

*Resort Destination Investments*

The Nation is committed to diversifying its revenue sources into more non-gaming activities and building the Turning Stone Resort & Casino into a destination resort experience. By building the destination resort amenities, the Turning Stone has sought to provide visitors with more reasons to frequent the resort which can also effectively build more gaming revenues. For example, some higher-end amenities may attract segments of visitors from outside the local area to extend the length of their visit and entice more spending while visiting the facility. With more amenities, a more complex resort can also induce more visits annually and create the type of place that is appealing to those who may do some gaming but are interested in the excitement offered by the facility.

The Nation has created the Lodge (a luxury hotel), five golf courses and two performance spaces -- the Event Center and the Showroom. All of these endeavors, along with Turning Stone's promotional allowance program, operate at a net loss. Subsidization of these operations through the casino's gaming revenues is part of the Nation's long term economic development strategy to build its reputation as a high-quality resort destination.

- *The Lodge* -- The Lodge, a 98 room luxury hotel opened in 2004, adds another attraction to the Turning Stone Resort & Casino experience. The Lodge has received a four diamond ranking from the American Automobile Association. Only fourteen other hotels in upstate New York are ranked at this level. Other industry recognition received by the Lodge includes:
  - Cover story, Hotels Magazine

- Best of 2004, New York Contractor Magazine
- Best Luxury Hotels in the U.S., Lodging Hospitality Magazine

Despite being well-regarded as a top quality luxury hotel, the Lodge has had a low occupancy rate. The occupancy rate in FY 2005 was 34 percent and the hotel lost \$3.2 million.

- *Golf Courses* -- The Nation operates five golf courses, Atunyote, Kaluhyat, Shenendoah, Pleasant Knolls and Sandstone Hollow. The 18-hole Atunyote course features a stream, a waterfall and a 13-acre lake, all within a forested environment. The Shenendoah course is ranked as the 17th best golf course in all of New York State by Golf Digest and is an Audubon International Certified Signature Sanctuary. Overall, 35,942 rounds of golf were played at the Nation's golf courses in FY 2005. The majority of the rounds played were at the Shenendoah and Kaluhyat courses. Golf course operations had a net loss of \$5.8 million in FY 2005.

The Nation has sought to enhance the five golf courses as part of its plan to diversify its business and transform the Turning Stone Resort and Casino into a destination resort. Recently, the Atunyote Golf Club hosted the B.C. Open, a PGA Tour tournament. The B.C. Open is normally held in Broome County but the course was flooded due to rains and PGA officials concluded that Atunyote Golf Club at the Turning Stone Resort and Casino could serve as an acceptable substitute. PGA officials have said that they believe the course is well designed and meets the criteria of hosting such a large event. The B.C. Open Tour director of tournament development commented on how well the tournament was organized and that the Turning Stone Resort and Casino has the potential to host future PGA events.

The B.C. Open drew 132 touring professional golfers and an estimated 5,000 visitors a day for the four-day tournament. While Oneida Enterprises benefited from the influx of visitors, so did other local businesses. The owner of Joel's Front Yard Steak House stated that business nearly tripled and that he had to add six additional staff members to meet the demand. He said to the Utica Observer Dispatch, "The impact is overwhelming."<sup>1</sup> The Verona Hotel set up an outdoor tent next to its tavern to accommodate the additional patrons. Restaurants were not the only businesses in the area that benefited. The Hotel at Vernon Downs booked nearly all its 170 rooms for the weekend and business was up about 40 percent as a result of the B.C. Open being in the area."<sup>2</sup>

- *The Event Center* – The Event Center, which opened in December 2004, is a performance space that features music, sporting events and conventions. The Event Center has brought about 18 major concerts per year to Central New York, but is not financially profitable. Performers that will be featured at the Event Center in 2006 include "Larry the Cable Guy" (comedy), "Clint Black" (country music), "Heart" (rock music) and "Mariah Carey" (pop music). The Event Center can accommodate 5,000 people for concerts, and also features 5,800 square feet of meeting rooms. During the eight months from October 2005 to May 2006 attendance at concerts was at approximately 70 percent of the maximum capacity. Over this same time period the Event Center had a net loss of about \$158,000.

- *The Showroom* – Open since March 1999, the Showroom is an older and smaller performance space than the Event Center, with seating for 800. The Showroom has consistently brought cultural programming to the region, including the musical Chicago and the actor Bill Cosby. In FY 2005 there were 113 shows at the Showroom, during which approximately 74 percent of the available seats were sold. The Showroom also features free movies on a large high definition screen. The Showroom has not yet proven to be financially viable, with a net loss of \$1.6 million in FY 2005.
- *Promotional Programs and Allowances* – Those using the gaming floor may be extended complimentary “covers” at restaurants or elsewhere in the facility. Such covers are a means of enhancing the quality of the experience for visitors. Turning Stone has also established a voluntary promotional Diamond Mine Club to encourage repeat business from casino customers. Members in the club earn karat points based on gaming activity in the members’ accounts. Karat points can be redeemed for select consumer products including merchandising, gaming values, food and beverage, lodging, golf and spa services. Promotional allowances are deducted from the retail value of sales and services furnished to Casino patrons to arrive at net revenues. The amount has grown along with the number of visitors to the facility. In FY 2005, the Turning Stone Resort & Casino estimates the costs of promotional allowances at \$25.7 million, an \$8 million increase from FY2003.

#### Long-Term Debt

Substantial capital investments have been made to build the supporting facilities to create a resort destination property. The Nation has successfully entered capital markets to finance these investments but maintains outstanding debt obligations to the institutions and individuals holding their debt instruments. At the close of FY2005, these debt instruments totaled \$292.6 million including:

- *Senior Notes* – In December 2002, the Nation issued \$135 million in senior notes with interest payable at 9.125% per annum. The proceeds of this financing were used to fund elements of the expansion project and refinance some previous indebtedness, among other purposes. Interest on the notes is payable semi-annually from June 2003 to December 2010. The debt is uncollateralized senior obligations that are only supported by the cash flow of the Turning Stone and non-recourse to the Nation, other than for the assets of the Turning Stone and certain other gaming and resort-related assets.
- *Senior Notes* – In May 2003, the Nation issued \$25 million in senior notes under the same terms as the December issuance. The senior notes were issued at a premium of \$1.34 million which is being amortized on a straight-line basis over the term of the notes. were issued by the Nation
- *Tax Exempt Variable Rate Demand Bonds* – In December 2003, the Nation entered into an agreement to borrow up to \$145 million with such bonds to finance or refinance certain capital projects that serve essential government functions. As of September 2005, \$131.7 million in bonds were outstanding.

Each of the above agreements contains certain covenants, which include, among other things, financial covenants that must be met by both Turning Stone and the Nation and cross-default provisions. The maturities for existing long-term debt, excluding unamortized premium, for the next five fiscal years were the following in at the close of FY2005:

<b>Fiscal Years Ended</b>	
September 24, 2006	\$ 33,120,000
September 30, 2007	\$ 33,120,000
September 28, 2008	\$ 65,490,000
September 27, 2009	--
September 26, 2010	--
Thereafter	<u>\$ 160,000,000</u>
	<u>\$ 291,730,000</u>

*Transfers to/from Oneida Indian Nation and Other Related Parties*

The Nation pays certain expenses on behalf of Turning Stone and Turning Stone pays certain expenses on behalf of the Nation and also provides cash transfers to the Nation. Net transfers to the Nation were the following in recent years:

<b>Fiscal Years</b>	
FY 2000	\$ 45.7 million
FY 2001	\$ 59.1 million
FY 2002	\$ 30.1 million
FY2003	\$ 22.6 million
FY2004	\$ 32.3 million
FY2005	\$ 45.5 million

**The SavOn Gas Stations and Convenience Stores**

The Nation operates the SavOn gas stations and convenience stores in Oneida and Madison Counties. At the close of FY 2005, there were thirteen SavOn gas station and convenience store locations selling a range of convenience food and other essentials such as motor oil, windshield washer fluid, batteries, film, tobacco-products, and select apparel. Various SavOn gas stations and convenience stores offer special features such as full-service pumps, 5 cents off gas prices every Tuesday, weekly specials on soda, snacks and other items, quick foods, and a car wash to accommodate boats and RVs at the Oneida Lake location. The Nation reported non-resort retail, tobacco and petroleum revenues including its SavOn gas station and convenience store of \$110 million in FY 2005.

The SavOn gas stations and convenience stores generate positive net operating income for the Nation's enterprises, making a critical contribution to the Nation government's programs and services and Member Benefits program. The Nation's longer term goal to

diversify its economic base and promote its self-sufficiency is also advanced through the net operating surpluses of the SavOn gas station and convenience store operations.

The SavOn gas station and convenience store chain generates full and part-time employment opportunities in Oneida and Madison Counties in its central administration central offices and wholesale operations and its retail locations for store managers, cashiers, and gas station attendants. The SavOn gas station and convenience store chain had 216 full time equivalent (FTE) employees at its retail establishment locations and contributed more than \$5.6 million in payroll and benefits in FY 2005. In addition, several employees in the Nation's finance and administrative departments devote a substantial portion of their time to the SavOn stores.

Beyond their contribution to the payroll and employment, the operation of the SavOn gas station and convenience stores operations contribute to the regional economy through the purchase of goods that are sold (e.g., gasoline, diesel, tobacco products and food), operating and maintenance expenditures, and capital facility and equipment expenditures.

The size and markets for SavOn gas stations and convenience stores vary by location within the two counties but tend to serve local residents as other convenience stores and gas stations would, but also attracts those traveling from outside the immediate region to the Turning Stone Resort & Casino among other destinations. In terms of the two-county economic base, the Nation's SavOn gas stations and convenience stores draw non-local sales in select product markets and locations because of the price point at which they can operate. For example, cigarette volume sales exceed consumption demand for cigarettes in Oneida and Madison Counties, indicating that persons from outside the two-county area purchase cigarettes in SavOn gas station and convenience store establishments. The Nation estimates that approximately 60 percent of their cigarette sales come from outside the local market. Gasoline products, by comparison, are estimated to draw a much larger share of their sales from local customers rather than non-local consumers. Limited by the size of the gasoline tank, the individual purchase amount for gasoline is less, achieving less cost savings for the customer from their fuel service. The costs of acquiring the product generally begin to outweigh these cost savings, thus, there is no incentive to travel to make purchases. Non-local sales in the gasoline market occur – it has been estimated by the Nation to be in the 25 percent range -- but they are linked closely with site location to a Thruway exit or along Route 31 where the establishment is conveniently located as part of a “pass-by” trip or when the trip can be “chained” along with a visit for another purpose (i.e., visit to the Turning Stone Resort & Casino). The two largest SavOn gas stations and convenience stores in terms of sales volumes and employment are the Patrick Road facility, located adjacent to the entrance to the Turning Stone Resort & Casino, and the Canastota facility located near the New York State Thruway.

Depending on the product, the SavOn gas stations and convenience stores compete with national and regional brand and non-brand convenience stores and gas stations, supermarkets, drug stores, and larger discount retailers. The SavOns' competitive strategy is price-driven, seeking to keep retail prices about \$0.05 to \$0.10 per gallon below the lowest prices of their branded competitors for most fuels in each of the marketing areas. The Nation benchmarks its retail price position against its competition on a periodic basis. An example of two such price comparison surveys undertaken recently by the Nation are shown in Table 3.7-71 and Table 3.7-72 reported SavOn price in the tables is the "price-line" point posted daily which stores retrieve to determine what price they should be charging. The Nation reports that prices at individual store locations may be \$.02-\$.03 lower per gallon as part of their competitive strategy.

For fuel, major competitors include refiners (i.e. Kwik Fill, Hess, Sunoco, Mobil) and fuel distributors (i.e., Fastrac, ExpressMart). These competitors can acquire fuel inventories at prices below the price that the Nation is required to pay its wholesale supplier. For cigarettes, competing convenience stores sell above the minimum cigarette retail price set by New York State, typically 7 to 10 percent over the minimum while most drug stores and supermarkets sell at the floor price.

For the chain as a whole, operating expenses were approximately \$3.7 million and the costs of goods sold totaled \$75 million. For each of the SavOn gas stations and convenience stores, Table 3.7-71 below shows the location, number of employees, personnel expenses, operating expenses and the cost of sales. Key points of competition with the Nation's SavOn gas station and convenience store are also identified.

In 2003 the Nation was involved in the purchase of two gas stations in the Village of Chittenango, Madison County. The gas stations were purchased with the expectation that the land they are on would be included in any potential land claim settlement. The gas stations are not directly owned by the Nation, but by Vlasti Enterprises, Inc., a legally separate component unit for which the Nation is financially responsible. The Nation loaned Vlasti Enterprises \$4.4 million to buy the gas stations and maintains management oversight over operations.

The Vlasti gas stations, a Sunoco and a Sunrise, pay full taxes and cannot sell alcoholic beverages or lottery tickets, which non-Nation gas stations may well. They are similar to the convenience stores and gas stations of the Nation's SavOn gas station and convenience store in terms of the type of products and services offered. Unlike the SavOn gas stations and convenience stores, the Vlasti gas stations are not profitable; each one had a net loss of over \$200,000 in FY 2005. The average gross margin -the difference between sales and cost of goods sold -- of the SavOn gas stations and convenience stores is almost eight times larger than that of the Vlasti gas stations. A significant part of this difference in financial outcomes is because of the state taxes that the SavOns are not required to pay. The

SavOn gas station and convenience store receives significant per gallon profits from the sale of gasoline, but does not have much additional gasoline sales volume as a result of the tax advantage except, perhaps, in combination with proximity to the Turning Stone Resort & Casino. For cigarettes however, the SavOn gas station and convenience store receives more profit per unit and has significantly higher sales volumes because it can lower its pricing buoyed by its tax advantage.

The SavOn gas stations and convenience stores average gross margin for gasoline (excluding the Cigs and Tees SavOn gas station and convenience store and the Diesel SavOn gas station and convenience store which do not offer full gasoline service), is about 10 times larger than that of the Vlasti gas stations. Gasoline sales are mostly confined to local purchases since it does not make sense to drive a significant distance for a better price.

The financial data support the conclusion that cigarettes are the primary driver of the success of the SavOn gas station and convenience stores compared to the New York State taxed Vlasti gas stations. The average gross margin of the SavOn gas station and convenience store for cigarettes is over 50 times larger than that of the Vlasti gas stations. Other convenience stores in the region, however, enjoy a significant advantage over the SavOn chain; they have been licensed by the state to sell beer and lottery tickets.

### **Marinas**

The Nation operates three marinas on Oneida Lake -- Marion Manor Marina, located at the intersection of Routes 13 and 31 on the lake's southeast shore; Mariner's Landing, located on Pioneer Avenue in Sylvan Beach; and Snug Harbour Marina, located on Route 13 just south of Sylvan Beach. All facilities offer a full slate of amenities for boaters. The Nation also has a marina for members.

The Marion Manor Marina has 105 slips with two boat launches for boats up to 26 feet. Additionally, the Marion Marina contains a bait and tackle store, lodging, and boat rentals. Mariner's Landing has 112 slips, 31 lots that have year-round trailers on them, three lots for overnight campers, camper storage, and a store that sells boating and camping supplies. The Snug Harbour Marina has 200 slips and a boat launch for boats up to 50 feet and offers bathroom and shower facilities, picnic area, and sewage pump services. All offer indoor and outdoor boat storage, gasoline, and boat maintenance facilities.

**Table 3.7-71  
Price Comparison of SavOns with Other Gas Station Locations, February 2006**

<b>Survey Date – 2/22/2006</b>	<b>87 Octane</b>	<b>89 Octane</b>	<b>91 Octane</b>	<b>93 Octane</b>	<b>Diesel</b>	<b>Kero</b>
Sav-On "Price-Line"	\$2.269	\$2.369	\$2.429	\$2.489	\$2.419	\$2.669
Competitor Locations - Average	\$2.342	\$2.452	\$2.525	\$2.539	\$2.799	\$2.907
Price Difference	\$0.073	\$0.083	\$0.096	\$0.050	\$0.380	\$0.238
Other Locations:						
Express Mart, Canastota	\$2.390	\$2.540		\$2.630	\$2.790	
Canastota Kwik Fill	\$2.320	\$2.420		\$2.520		
Red Apple, Canastota	\$2.320	\$2.420		\$2.520		
Nice N Easy, Canastota	\$2.370	\$2.450		\$2.620	\$2.790	
Byrne Dairy, Oneida	\$2.240		\$2.340	\$2.440	\$2.950	
Red Apple, Rt 46, Oneida	\$2.249			\$2.349		
Vernon Foodland Mobile	\$2.290	\$2.450		\$2.550		
Nice N Easy, Rt 5 & 31	\$2.280	\$2.390		\$2.520	\$2.690	
Arnots Rt 31, Verona						
Stockbridge Valley Foods	\$2.490		\$2.710			\$2.790
Chittenango Fastrac/Sunoco	\$2.399	\$2.509		\$2.629	\$2.859	\$2.859
Chittenango Sunrise	\$2.379	\$2.489		\$2.609		
Fastrac, Camden	\$2.319	\$2.419		\$2.519	\$2.819	\$2.990
Stewarts, Camden	\$2.309	\$2.409		\$2.509		\$2.990
Nice N Easy, McConnell	\$2.359	\$2.459		\$2.559	\$2.799	
Cicero	\$2.399	\$2.499		\$2.599	\$2.699	
Bridgeport Hess	\$2.299	\$2.419		\$2.519	\$2.799	
Lakeport Sunoco	\$2.399					

Source: The Nation, unpublished, 2006.

**Table 3.7-72**  
**Price Comparison of SavOns with Other Gas Station Locations, March 2006.**

Survey Date - 3/8/2006	87 Octane	89 Octane	91 Octane	93 Octane	Diesel	Kero
Sav-On "Price-Line"	\$ 2.379	\$ 2.479	\$ 2.539	\$ 2.599	\$ 2.539	\$ 2.699
Competitor Locations - Average	\$ 2.413	\$ 2.506	\$ 2.620	\$ 2.624	\$ 2.840	\$ 2.893
Price Difference	\$ 0.034	\$ 0.027	\$ 0.081	\$ 0.025	\$ 0.301	\$ 0.194
Other Locations:						
Express Mart, Canastota	\$ 2.439	\$ 2.539		\$ 2.639	\$ 2.899	
Canastota Kwik Fill	\$ 2.349	\$ 2.449		\$ 2.549		
Red Apple, Canastota	\$ 2.379	\$ 2.479		\$ 2.579		
Nice N Easy, Canastota	\$ 2.449	\$ 2.529		\$ 2.699	\$ 2.859	
Byrne Dairy, Oneida	\$ 2.430		\$ 2.530	\$ 2.630		\$ 2.950
Red Apple, Rt 46, Oneida	\$ 2.439			\$ 2.539		
Vernon Foodland Mobile	\$ 2.430	\$ 2.530		\$ 2.630		
Nice N Easy, Rt 5 & 31	\$ 2.410	\$ 2.510		\$ 2.740	\$ 2.850	
Arnots Rt 31, Verona						
Stockbridge Valley Foods	\$ 2.490		\$ 2.710			\$ 2.79
Chittenango Fastrac/Sunoco	\$ 2.459	\$ 2.569		\$ 2.689	\$ 2.899	\$ 2.859
Chittenango Sunrise	\$ 2.439	\$ 2.549		\$ 2.669		
Fastrac, North Utica	\$ 2.399					
Citgo, North Utica						
Fastrac, Camden	\$ 2.389	\$ 2.489		\$ 2.689	\$ 2.859	\$ 2.999
Stewarts, Camden	\$ 2.379	\$ 2.519		\$ 2.619		\$ 2.999
Nice N Easy, McConnell	\$ 2.429	\$ 2.529		\$ 2.620	\$ 2.859	
Cicero	\$ 2.359	\$ 2.459		\$ 2.559	\$ 2.679	
Bridgeport Hess	\$ 2.299	\$ 2.399		\$ 2.499	\$ 2.799	
Lakeport Sunoco	\$ 2.439					
Nice N Easy, Rt. 365	\$ 2.439	\$ 2.539		\$ 2.639	\$ 2.859	\$ 2.759

Source: The Nation, unpublished, 2006

<sup>1</sup> Fusco, J. (2006, July 22). Good golfing, great food. The Utica Observer-Dispatch.

<sup>2</sup> Vivacqua, B. (2006, July 22). B.C. Open boosting local economy. News 10 Now.

[http://news10now.com/content/all\\_news/romemohawk\\_valley/?ArID=73569&SecID=87](http://news10now.com/content/all_news/romemohawk_valley/?ArID=73569&SecID=87), accessed July 26, 2006.

**Table 3.7-73  
SavOn Gas Stations and Convenience Stores, FY 2005**

Store Name	Address/Town	Employees (FTE)	Payroll and Benefits	Operating Expenses	Cost of Sales	Points of Competition
Canastota	Peterboro Street, Canastota	28.5	\$711,740	\$462,331	\$10,569,374	Express Mart (across the street) Red Apple Convenience (1/4 mile south on Rt. 13) Sunoco Nice N Easy (1/2 mile south on Rt. 13), Kwik Fill Full Serve (3/4 mile south just off Rt.13 on Rt. 5).
Oneida Lake	Corner of Route 13 and 31 Canastota	24	\$625,852	\$499,213	\$7,634,582	Lakeport Mini Mart (about 2 miles west on Rt. 31), HessMart (About 6 miles West on Rt. 31) Fastrac Convenience Store (About 6 miles west on Rt. 31)
Plaza Mart	219 Genesee Street , Oneida	20.5	\$528,379	\$380,555	\$4,035,459	Red Apple Convenience Store (Rt. 46 downtown Oneida, about 1.5 miles) Sunoco Nice N Easy (about 3.5 miles west on Rt. 5)
Lenox	645 Lenox Avenue, Oneida	12.5	\$352,453	\$196,391	\$4,839,942	Byrne Dairy Convenience (about 1/2 mile east on Lenox Ave) WalMart.
Smokeshop	1 Territory Road, Oneida	11.5	\$313,057	\$176,565	\$3,466,743	Stockbridge mini mart (about 4 miles south Rt. 46)
Main Street	Corner of Route 5 and Main Street, Oneida	8	\$242,028	\$177,110	\$2,597,743	Red Apple convenience Store (1/2 mile north Rt. 46), Byrne Dairy (1/2 mile north Lenox Ave), Nice N Easy Convenience Store (1.5 mile north Rt. 365)
Oneida Mart	1 Lenox Avenue, Oneida	8.5	\$247,468	\$138,114	\$2,127,881	Byrne Dairy (1/4 mile west on Lenox Avenue) Nice N Easy convenience store (1/2 mile East on Rt. 365) Red Apple convenience store (1/4 mile west on Rt. 46)
Sherrill	Corner of Route 5 and Sherrill Road, Sherrill	11.5	\$348,219	\$236,033	\$5,600,564	Orr's Sherrill Auto Service (across street, site is currently for sale) Nice N Easy Convenience Store (Vernon about 1 mile East on rt 5) Foodland market (Vernon about 1 mile East)
Cigarettes and Tees	245 West Seneca Avenue, Sherrill	4.5	\$142,637	\$31,577	\$502,539	None
Patrick Road	5223 Patrick Road, Verona	32	\$808,628	\$560,075	\$16,342,362	Nice N Easy Convenience (Rt. 365 approximately 1/2 mile south).
Gas	Corner of Route 365 and 31, Verona	13.5	\$392,349	\$206,634	\$6,173,180	Arnotts Convenience Store (1/4 mile west Rt. 31) Nice N Easy (Rt. 5 just off Rt. 31 about 4 miles east )
Diesel	Corner of Route 365 and 31, Verona	15.5	\$420,208	\$221,326	\$5,478,095	Pilot truck stop (Rt. 81 Syracuse) Petro Truck Stop (New York State Thruway exit 41 Waterloo), Flying J Truck Stop (New York State Thruway exit 48A Pembroke) Travel Port 9 (NYS Thruway, Exit 28, Fultonville).
Beach Mart	Route 13, Verona Beach	25.5	\$519,379	\$380,725	\$5,635,274	Sunrise Market (Downtown Sylvan Beach about 1/2 mile north on Rt. 13)
<b>Total</b>		<b>216</b>	<b>\$5,652,397</b>	<b>\$3,666,649</b>	<b>\$75,003,738</b>	

Source: The Nation, unpublished, 2006.



In FY05, the two marinas came close, but did not yet generate their first operating surpluses since being operated by the Nation, thus, their continued operations at present requires cross-subsidization from other fiscal surplus-generating activities such as the casino operations and the non-resort retail and petroleum operations.

### **Agriculture**

Approximately 103 properties owned by the Nation are devoted to agricultural uses such as cropland, pasture fields, barnyards, farmlands, cattle grazing. In 2004, the Oneida agricultural enterprise was home to the second largest Angus (cattle) herd in the Northeast. Nation farms produce 1,000 acres of yellow corn, 300 acres of barley, 200 acres of wheat and oats, and 800 acres of hay for bales. The Nation owns the largest farm in Madison County and is a major local supplier of cattle feed to Madison County farmers. The agriculture operations have not yet demonstrated that they are financially sustainable on a stand-alone basis, requiring the allocation of surpluses from the casino operations and non-resort retail and petroleum operations to continue the venture.

### **Other Operations and Diversification Strategy**

The Nation owns and operates several other business enterprises including Standing Stone Gaming, and Four Directions Media and Four Directions Entertainment.

- Standing Stone Gaming – The Nation manufactures, markets, and distributes a patented cashless gaming operating system through Standing Stone Gaming, a company owned 100 percent by the Nation.
- Four Directions Media and Entertainment – The Nation has developed a partnership with two Los Angeles-based American Indian producers; this partnership includes a film, television and news media company called Four Directions Media and Four Directions Entertainment.
- Indian Country Today – The Nation also operates a weekly news publication with subscribers and vendors nationwide, Indian Country Today, that focuses on Native American issues. . The publication’s editorial offices, which were located in South Dakota when the Nation purchased the company about 10 years ago, have been moved recently to New York. Every week an average of 40,998 persons read the print version of the publication and about 17,000 persons visit to the Indian Country Today website. The publication currently has 6,559 subscribers. The business unit also publishes quarterly-topic-focused feature magazines (including Pow-Wow, Tourism and Gaming, Education and Business), maintains CD-ROM archives and various websites. FY2005 revenues for this operation were estimated at \$1.6 million with 21 employees with a Central New York payroll of \$990,700.
- Four Directions Air, Inc. – A company engaged in the business of providing air charter and brokerage services.

The Nation is financially accountable for other businesses including:

- North Atlantic Development Inc. – A company that acquires, improves, develops, sells and leases real estate in the New York State.

- Vlasti Enterprises, Inc. – A company which primarily consists of two convenience store operations.
- OMG Development Company, LLC – A company involved in holding land leases for oil and gas activities.
- UAC, LLC – a company engaged in land acquisitions
- Four Directions Ground, LLC – A company engaged in bus transportation services
- Four Directions Distribution, LLC – A company engaged in the distribution of beverages.

The Nation has committed to a long-term diversification strategy, as exemplified by the wide range of operating sectors described above, to advance its long-term economic development and self-sufficiency and to avoid overdependence on gaming in charting its path for future generations. Diversification includes non-gaming initiatives in entertainment, retail, agriculture, recreation and publishing, among other enterprise operations. Similar to the Nation’s Government Programs and Services, the business enterprises are diverse in their operations and the facilities are dispersed throughout Madison and Oneida Counties. Table 3.7-74 illustrates the location of several of the various economic activities of the Nation.

These varied operations serve strategic goals for the Nation but several are not financially sustainable on a “stand-alone” basis, requiring operating transfers (i.e., subsidization) from the more successful casino and non-resort retail and petroleum-related operations.

### **3.7.5.3 Nation Government and Enterprise Employment**

Since the opening of the Turning Stone Resort & Casino in 1993, the Nation has grown to become one of the leading employers in Central New York. The Nation’s employment growth far exceeds any other business in the area and is on pace to become the largest employer within the next few years. Of those employed by the Nation, approximately 96 percent are not members of the Nation. This percentage is relatively large for an Indian Nation operating a tribal casino. For example, Evan and Topoleski found in their studies of Minnesota and California that 73 and 90 percent of casino employees are non-Indians.

#### **Job Creation**

The Nation has created jobs at a rate that outpaces overall job growth in the surrounding counties, as well as in New York State as a whole.

From September 2004 to 2005, the number of non-farm jobs in New York State increased by 79,600, or 0.9 percent, and the number of private sector jobs increased by 80,700 or 1.2 percent (NYS Department of Labor, 2005). Since September 2004, the number of non-farm jobs in the Utica-Rome MSA increased by 200 jobs, or 0.2 percent, but the number of private sector jobs decreased by 500, or -0.5 percent.

In contrast, the number of people employed by the Nation increased by 7.6 percent between the 2004 fiscal year (starting October 2004) and the 2005 fiscal year (starting October 2005). By the end of Fiscal Year 2005, direct employment with the Nation reached 4,611, making it one of the three largest employers in Central New York and the single largest employer in Madison and Oneida County. Overall, job growth has demonstrated a strong and steady upward trend since the opening of the Turning Stone Resort & Casino in 1993. Even during the most recent recession in 2001, employment at the Nation continued to grow (Figure 3.7-13).

**Table 3.7-50  
BIA Tribal Priority Allocation  
Funding Eligibility and Uses of Requested Funds**

	<b>FY98</b>	<b>FY99</b>	<b>FY00</b>	<b>FY01</b>	<b>FY02</b>	<b>FY03</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>Total</b>
Eligible Amount	\$1,184,674	\$1,206,174	\$1,240,132	\$1,279,578	\$1,318,048	\$1,339,848	\$1,339,848	\$1,299,244	\$1,228,407	\$11,435,953
Funds Requested	\$0	\$0	\$0	\$0	\$0	\$53,644	\$353,400	\$503,562	\$1,228,407	\$2,139,013
Funds as % Eligible	0%	0%	0%	0%	0%	4%	26%	39%	100%	19%
Youth, Work, Learn						\$53,644	\$176,700	\$61,186	\$68,944	\$360,474
Pathways/Case Mgmt.							\$176,700	\$115,196	\$174,350	\$466,246
Community/Fire Protection								\$180,000	\$280,000	\$460,000
Law Enforcement								\$147,180	\$262,925	\$410,105
Living History									\$50,000	\$50,000
Agric. Services									\$272,682	\$272,682
Education Achievement									\$58,855	\$58,855
Early Childhood									\$60,651	\$60,651

Source: The Nation, 2005 (unpublished); The Louis Berger Group, 2005.

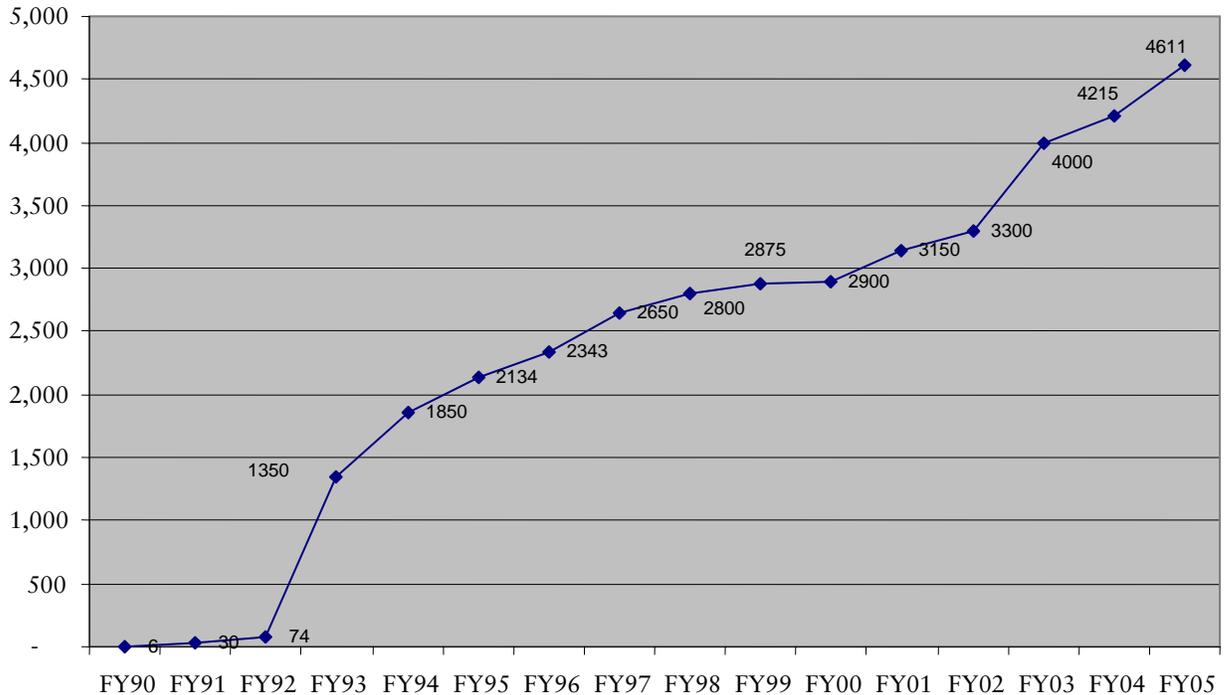


**Table 3.7-74  
Locations of Nation Enterprises and Activities, 2006**

	Agriculture	Convenience Store / Gas Station	Marina	Housing	Media	Government Services	Golf	Casino	Camping	Lodging
Augusta	X									
Village of Canastota		X								
Lenox		X	X	X						
Lincoln	X									
City of Oneida	X	X		X	X	X				
City of Sherrill		X		X						
Smithfield	X									
Stockbridge	X									
Sullivan				X						
Village of Sylvan Beach			X							
Vernon	X			X	X		X			
Village of Vernon				X						
Verona	X	X		X			X	X	X	X

Source: The Nation, 2006, unpublished.

**Figure 3.7-13  
Nation Job Growth, 1990 to 2004**



Source: Nation Enterprises, FY 2005, Unpublished. The Louis Berger Group, Inc., 2005.

***Nation Employment and the Region***

Nation employment growth has been a catalyst for economic activity at a time when other major employers have endured job losses within the region. It has provided a vital economic boost to the community while other major employers, such as Griffiss Air Force Base, Lockheed Martin, and Oneida, Ltd., have closed or contracted.

As part of the 1990 Base Realignment and Closure Act (BRAC), a congressionally authorized process that the U.S. Department of Defense uses to reorganize its base structure and close excess military bases, Griffiss was selected for realignment during the third round of the BRAC process in July 1993. Griffiss stopped functioning as an Air Force base in September 1995, resulting in the layoff of approximately 4,500 military and civilian positions and in the out-migration of many former employees and their families. Remaining U.S. Department of Defense presence at the site includes the Air Force Research Laboratory (Rome Laboratory), the Defense Finance and Accounting System and the Northeast Air Defense Sector, which together employ about 2,000 people. While the preliminary 2005 BRAC (fifth round) proposed the relocation of Rome Laboratory jobs and the closure of the Defense Finance and Accounting Services (DFAS), the final 2005

BRAC Law, reversed the proposed job losses and included 648 additional civilian jobs at DFAS in Rome (Griffiss Local Development Corporation, 2005).

In 1996, Lockheed Martin announced the closing of its manufacturing plant in Utica, New York. The company had experienced declining employment during the past 30 years from 9,000 in 1967 to 1,000 in 1995. The New York State Department of Labor (NYSDOL) pointed out in a publication that despite these two losses, employment in the Mohawk Valley, which includes Fulton, Herkimer, Madison, Montgomery, Oneida, and Schoharie Counties, still grew by 3.7 percent between 1994 and 2004, with the job growth concentrated in accommodations, warehousing, health care and social assistance (Barbano, 2005). The publication states that most of the job growth in the accommodations sector was due to the opening and expansion of the Turning Stone Resort & Casino.

Oneida, Ltd. was once one of the world's largest manufacturers of stainless steel and silver-plated flatware, but it now imports flatware, dinnerware, and glassware for both consumers and the food service and institutional markets. It was also once one of the largest employers in the region with a peak of 5,470 domestic employees in 1995 (Oneida Ltd., 1995). The closing of its Sherrill, New York flatware factory due to unsustainably high operating costs and operating losses was announced in the Fall of 2004 and approximately 450 employees were notified that the closure would cause the elimination of their positions. By July 30, 2005 these positions had been eliminated as per Form 10-Q Report to Securities and Exchange Commission for the period ending July 30, 2005. Oneida Ltd. currently has 936 domestic employees, approximately 430 of which are in the Central New York region according to an article in Newsday (March 2006). The article also reported that they filed a plan to reorganize under Chapter 11 bankruptcy protection in the U.S. Bankruptcy Court for the Southern District in New York in March 2006 and expect that the reorganization will not affect the employment. However, in July 2006, Oneida Ltd. announced that it would close its distribution center in Sherrill by May 2007. Some of its 150 employees were reportedly to be offered relocation assistance and transfers to a new Savannah, Georgia facility that is touted for its improved port access and lower freight costs. As a result, the region may experience some additional out-migration.

In the face of these job losses, State and local government have provided tax and other financial benefits to help businesses throughout the region create or retain jobs. One of the State's major economic development programs, the New York State Empire Zone program, is a source of benefits for many companies in the region. Based on information available on the official internet site for Governor's Office Regulatory Reform (New York State, no date), the program rewards job-creating companies located in one of the state designated empire zones by allowing them to operate on an almost "tax free" basis for up to 10 years with additional savings available on a declining basis in years 11 through 15.

Benefits include sales tax exemptions, real property tax credits, tax reduction credits, wage tax credits, investment tax and employment incentives credits, new business refunds, utility rate savings and capital credits.

While Empire Zone (EZ) boundaries are in the process of being redrawn throughout the State, there are currently four Empire Zones within the Study Area: the Madison County EZ, the Oneida County EZ, the Rome EZ, and the Utica EZ. The Madison County EZ includes the following business and industrial parks: Sullivan Lakeside in Sullivan, Canastota Business Park in Canastota, Curtin Business Park and Oneida Business Park in the City of Oneida, Trush Cazenovia Park in Cazenovia and Hamilton Air Park in Eaton. There are currently 118 businesses located in the Rome EZ, with most of them receiving some type of EZ benefit. The Rome EZ includes the Griffiss Business and Technology Park, the former Griffiss Airforce Base, which was the location of 60 companies and government agencies that employed 4,300 people in FY2005 (Griffiss Business and Technology Park, 2005).

In addition to Empire Zone benefits, State and local governments have provided businesses throughout the region with grants, loans, PILOT (payment in lieu of taxes) agreements and tax benefits. Examples of businesses that have created jobs and have been rewarded with state and/or local tax and financial incentives in 2005 include Family Dollar Stores and Sherrill Manufacturing. Family Dollar Stores Inc. created a new regional distribution center at the Griffiss Business and Technology Park in Rome New York that is anticipated to employ 465 persons. According to a press release from the Governor's Office of Regulatory Reform dated February 15, 2005, the business is eligible to apply for Empire Zone benefits, a \$1.2 million capital grant from the Empire State Development Corporation, a training grant from the New York State Department of Labor, and may also be eligible for county and local incentives valued at \$10.2 million. Sherrill Manufacturing, a new flatware manufacturer, purchased the former Oneida Ltd. facility and created 100 jobs. According to another press release from the Governor's Office of Regulatory Reform (March 2005), Empire State Development offered Sherrill Manufacturing a \$350,000 capital grant. Because the business is part of the Oneida EZ, it is eligible to apply for Empire Zone benefits.

The New Process Gear automotive equipment plant in East Syracuse employs about 3,400 people and is the largest manufacturer of four-wheel drive transfer cases in the U.S. The plant has been a recipient of several economic development grants from the Empire State Development Corporation, but has continued to shrink its workforce.

In 2002 the plant owner DaimlerChrysler received a \$2.5 million job creation grant for promising to add 300 new employees at New Process Gear. By 2005, rather than adding jobs, 250 jobs had been eliminated. The Economic State Development Corporation fined DaimlerChrysler \$1.5 million for failing to meet job creation target.

In 2004 the Canadian automotive part manufacturer Magna International Inc. acquired 80 percent ownership of the New Process Gear plant and plans to be the sole owner by 2007. In 2005 Magna International promised to invest \$47 million in the New Process Gear plant in exchange for a benefits package that included an Empire Zone investment tax credit worth \$4.5 million. Magna International also promised to maintain 500 “at-risk jobs”. Under Magna’s ownership the New Process Gear workforce has continued to shrink, including temporary rotating layoffs of 750 workers and permanent layoffs of 160 by the end of 2005. Four to five hundred additional layoffs are planned to occur over the course of 2006, including buyout incentives for United Auto Workers union members to retire. Magna International cites high gasoline prices, a decline in SUV sales, foreign competition and a new type of transmission technology as the factors behind the need for a smaller number of employees at New Process Gear.

Despite the disruptions caused by the loss of several major employers over the past 15 years, the Nation Enterprises provided a measure of financial stability for area residents, creating demand in local labor and housing markets and generating taxable revenues for local governments. In FY 2005, the Nation employed 4,001 residents of Madison County and Oneida County. These jobs helped offset the loss of jobs in other industries (e.g., military and manufacturing) and have provided a measure of stability to local communities.

***Employee Characteristics***

A total of 95 percent of Nation employees live within the three-county region. As shown in Table 3.7-75, 60 percent of the 4,611 Nation employees live in Oneida County, another 27 percent live in Madison County, and eight percent live in Onondaga County. The Nation was estimated to directly employ 2.4 percent and 1.7 percent of the workforce of Madison and Oneida Counties, respectively, in the year 2000, based on the total number of employed residents from the most recent Census.

As shown in Table 3.7-76, there are 647 employees who live in zip codes that roughly correspond to the Study Area municipalities in Oneida County. An additional 1,162 employees live in the zip codes that correspond to the Madison County Study Area municipalities. A total of 650 Nation employees reside in zip code 13421, which roughly corresponds to the City of Oneida, and an additional 324 employees live in zip code 13032, which includes the Village of Canastota and part of the Towns of Lenox and Lincoln.

The Nation’s workforce is diverse. In FY 2005 50.6 percent of employees were female, and 7.6 percent were above age 60. The race and ethnic composition of the Nation workforce was generally consistent with the region; the large majority of employees are White, 12 percent of employees belong to minority groups (see Table 3.7-77).

The Nation provides job opportunities to local residents. In FY2005, 592 of the Nation's new hires including new jobs, seasonal employees, rehires, and replacements, lived in Oneida County at the time of hiring and 285 lived in Madison County. Virtually all other new hires lived in other Central New York Counties at the time of hiring.

**Types of Jobs**

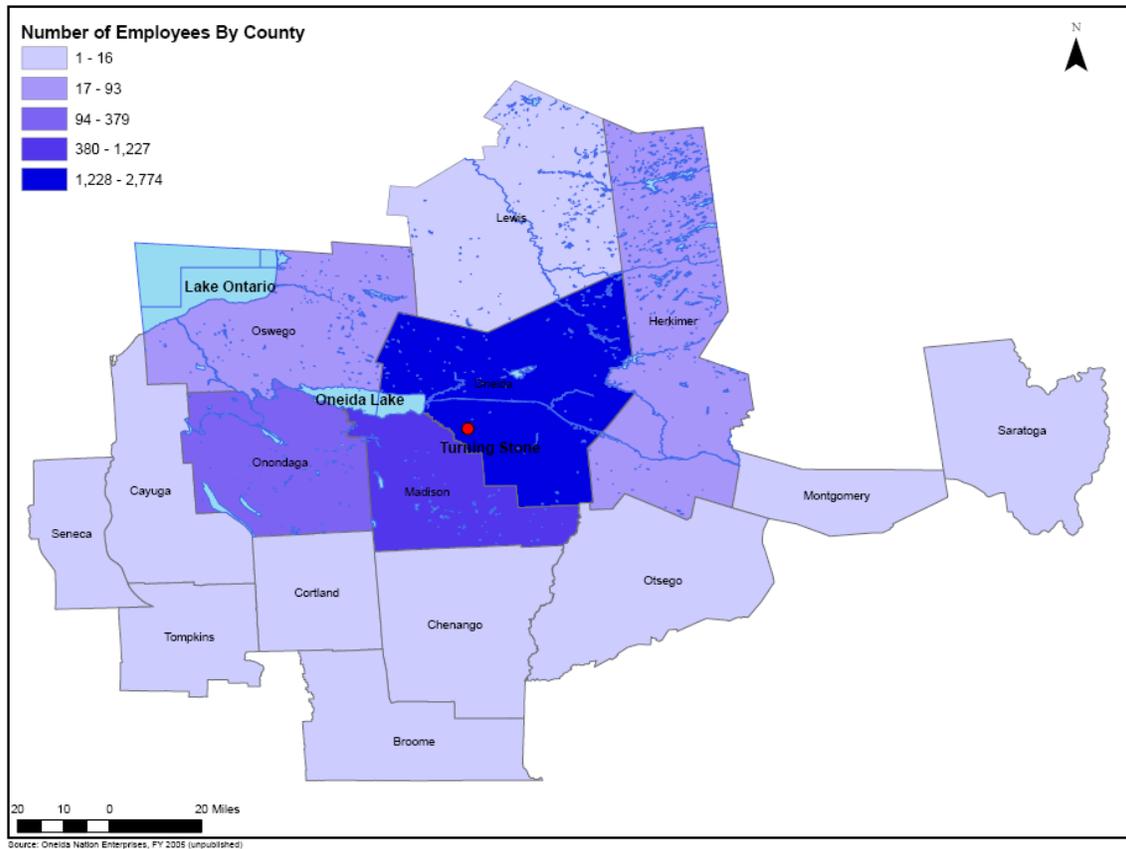
There are a wide range of employment opportunities within the Nation's enterprises and government. Jobs range from entry level positions that require fewer years of education and training, such as gas attendants and bell persons, to those that require more years of formal education and very specific skills, such as the medical doctors in the health center or information technologists.

**Table 3.7-75  
Nation Government and Nation Enterprise  
Employees and Payroll by Residential Location, 2005**

County	Number of Nation Employees	Percentage of Total Nation Employment	Percent of Total Nation Payroll
Oneida	2,774	60.16%	56.01%
Madison	1,227	26.61%	25.87%
Onondaga	379	8.22%	11.39%
Herkimer	93	2.02%	1.87%
Oswego	78	1.69%	1.49%
Lewis	16	0.35%	0.40%
Chenango	13	0.28%	0.26%
Out-of-State	10	0.22%	2.06%
Cayuga	6	0.13%	0.10%
Erie	3	0.07%	0.17%
Saratoga	3	0.07%	0.16%
Broome	2	0.04%	0.09%
Cortland	2	0.04%	0.04%
Montgomery	2	0.04%	0.03%
Otsego	1	0.02%	0.02%
Seneca	1	0.02%	0.01%
Tompkins	1	0.02%	0.04%
<b>Total</b>	<b>4,611</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Nation Enterprises, 2005, Unpublished.

**Figure 3.7-14**  
**Residential Location of Nation Employees, 2005**



**Table 3.7-76**  
**Nation Employees Residential Location**  
**Select Study Area Municipalities, 2005**

Local Government	ZIP Code	Employees by Place of Residence
Madison County		
Canastota/Lenox/Lincoln	13032	324
Cazenovia/Fenner	13035	14
Stockbridge	13409	94
Sullivan	13037	80
Oneida	13421	650
Smithfield	13134	3
Municipalities listed above		1,165
<b>Total Madison County</b>		<b>1,227</b>
Oneida County		
Sylvan Beach	13157	49
Sherrill	13461	151
Vernon	13476	152
Vernon Center	13477	27
Verona	13478	172
Durhamville	13054	80
Augusta	13425	16
Total Municipalities listed above		647
<b>Total Oneida County</b>		<b>2,414</b>

Note: Residential location by ZIP code was only available for 3,641 of the 4,001 Nation employees who live in Madison and Oneida Counties.  
Source: The Nation, 2006

**Table 3.7-77**  
**Racial and Ethnic Composition of Nation Employees, FY2005**

Race/Ethnicity	Percent of Total
White	88.4%
African American	1.4%
Asian	4.0%
Native American	3.7%
Hispanic	0.5%
Other	2.0%
Total	100.0%

Source: The Nation

The 4,611 jobs include 3,547 full-time jobs, 958 part-time, temporary, or on-call employees, and 106 employees on leave (see Table 3.7-78).

**Table 3.7-78  
Number of Full-Time and Part-Time Nation Employees, 2005**

	Number of Employees	Percentage
Full-Time	3,547	76.9%
Part-Time	451	9.8%
On-Call	358	7.8%
Temporary	149	3.2%
On Leave*	106	2.3%
<b>Total</b>	<b>4,611</b>	<b>100.0%</b>

Note: \* This number includes those on leave of absence for military leave, medical leave, and personal leave  
Source: Nation Enterprises, 2005, Unpublished.

The majority of Nation employees, 82 percent, work in the gaming and resort operations, predominantly in the casino and lodging facilities. The remainder of Nation employment is divided between Government and the Other Enterprises, predominantly retail. As reported in Table 3.7-79, there are a wide array of job opportunities with the Nation Government and Enterprises.

**Table 3.7-79  
Number of Nation Employees by Job Category, 2005**

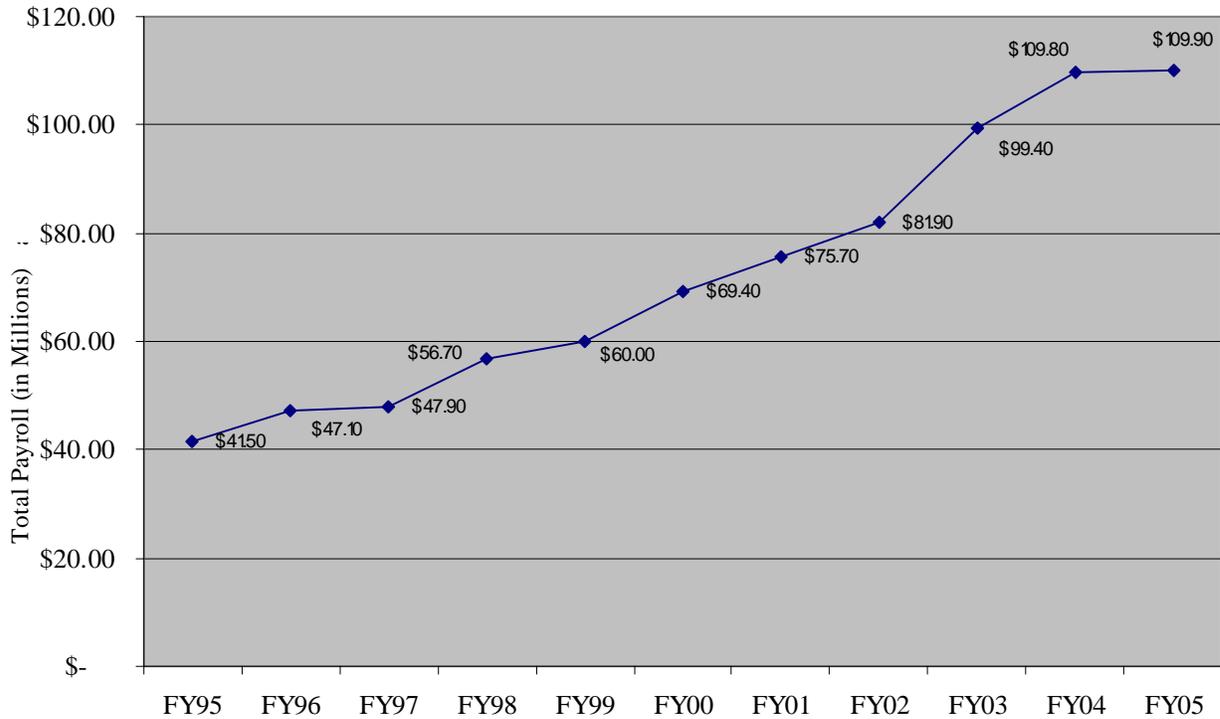
	Job Category	Number of Employees and Percentage	
Gaming and Resort Operations	Casino	2,958	82%
	Hotel	393	
	Golf	161	
	Lodge	117	
	Turning Stone Retail	69	
	<b>Subtotal – Gaming and Resort</b>	<b>3,779</b>	
Nation Government	Financial Services Administration	161	11%
	Nation Administration	108	
	Government Programs	105	
	Public Safety Administration	80	
	Justice Administration	13	
	Human Resources Administration	13	
	Entertainment Administration	8	
	<b>Subtotal – Nation Government</b>	<b>488</b>	
Other Nation Enterprises	Retail (non-Turning Stone)	279	7%
	Media Group	21	
	Marinas	18	
	Agriculture	8	
	Propriety	7	
	RV Park	5	
	North Atlantic Realty Company	3	
	Gaming Company	3	
	<b>Subtotal -- Other Gaming Enterprises</b>	<b>344</b>	
<b>Total</b>	<b>4,611</b>	<b>100.0%</b>	

Source: Nation Enterprises, 2005 (Unpublished).

**Payroll**

As with employment, overall payroll has steadily increased since the opening of Turning Stone Resort & Casino. Payroll increased from under \$1 million in 1992 to \$110 million in Fiscal Year 2005, an 11,000 percent increase (see Figure 3.7-15).

**Figure 3.7-15  
Nation Total Payroll Growth, 1995-2004**



Source: Nation Enterprises, FY 2005, Unpublished. The Louis Berger Group, Inc., 2005.

**Average Wage**

In FY2005, the average annual income (calculated by dividing the FY2005 payroll by the average of Nation employment in 2004 and 2005 of 4,375, which includes part-time, temporary and on-call employees) of Nation employees was approximately \$25,110, including tips and commissions. The Nation has a minimum hourly wage of \$4.75 for tipped employees. For employees for whom tips are not the primary source of their income, the hourly wage is \$6.75 which is comparable to the minimum hourly wage in New York State in 2006.

The 3,547 full-time employees had an average wage of \$24,700. However, according to the Nation’s payroll records, 47 percent of all full-time employees receive added income in the form of tips or commissions, which is not included in the above wage calculation. These tips and commissions can be a substantial part of an employee’s earnings, contributing 15 to 80 percent of an individual’s total earnings.

Part-time, temporary, and on-call employees are paid an hourly rate. As with full-time employees, a large portion of the earnings of part-time employees at the Turning Stone Resort & Casino comes from tips and commissions. For part-time employees, this is especially true for those earning under \$8.00 an hour.

### **Benefits**

In addition to regular salaries and bonuses, the Nation offers its employees an array of benefit programs, including: (1) medical and dental insurance for employees and their families; (2) a 401 (k) retirement program that includes a two percent profit sharing contribution and a three percent employer matching contribution; (3) an Equity Participation Program, similar to a phantom stock plan, which allows employees to participate in the future growth of the Nation's enterprises; and (4) employee discounts on purchases of gasoline and other items offered for sale at the Nation's retail outlets.

Currently, a total of 5,507 persons, including employees and their dependents, are covered by the Nation's employee health insurance program. In FY2005 the Nation spent a total of \$14.4 million on employee health and life insurance.

### **Career Advancement**

Many Nation jobs offer career advancement opportunities, even to persons without a college degree. The Nation provided the following examples to illustrate the quality of its jobs.

- A person who begins a job as a gaming dealer with just six weeks of training and a high school diploma can work his way up to a salary of \$63,000 in just 10 years.
- A gaming dealer can become a gaming floor supervisor without any specialized training or degree.
- Entry-level cooks receive in-house training classes and can be earning \$55,000 to \$57,000 after a few years.

### **Comparison of Nation Jobs with Other Jobs in the Region**

According to the U.S. Bureau of Labor Statistics (BLS), in 2004 the average annual pay for all industries in Oneida County and Madison County were \$30,842 and \$29,497, respectively, leading to an average pay of \$30,620 in the two-county area. As described above, the Nation's average annual wage in FY2005 was \$25,110. About 9.8 percent of Nation employees worked part-time, while 7.8 percent were on-call and 3.2 percent were temporary employees. The BLS does not provide information about the distribution between full- and part-time employment for Madison County and Oneida County.

Using data from the BLS on wages by job type in the Utica-Rome region, Table 3.7-80 compares wages at the Nation and in the Utica-Rome region as a whole for specific occupations (Bureau of Labor Statistics, 2004). In October 2005 the average hourly wage for a cashier at the SavOn gas stations and convenience stores was \$7.96 while it was

\$7.13 for the Utica-Rome region as a whole in November 2004, or \$7.44 adjusted for inflation (i.e., in October 2005 dollars) as per the Bureau of Labor Statistics, Consumer Price Index (no date). In November 2004 the average wage for food preparation and serving and related occupations (includes cooks, first line supervisors, servers etc.) was \$7.73 (or \$8.07 in October 2005 dollars) in the Utica-Rome region while the average wage at the Nation for similar types of jobs was \$7.95 in October 2005. While they appear generally comparable, there is an important difference -- 38 percent of Nation employees within this occupation received additional tips and bonuses over and above this amount while these extras are already included in the Utica-Rome average wage reported by BLS. The average wage cannot be compared for every job type because the Nation does not use the same job classifications as the BLS. Additionally, the value of the respective benefits packages is not included.

**Table 3.7-80**  
**Average Wage for Selected Occupations**  
**Nation (October 2005) and Utica-Rome MSA (November 2004)**

Occupation	Nation		Utica-Rome MSA	
	Number of Employees	Average Hourly Wage	Average Hourly Wage (Nov 2004 \$s)	Average Hourly Wage adjusted for Inflation ( Oct 2005\$S)
Cashiers	151	\$7.96	\$7.13	\$7.44
<b>Food Preparation, Serving, and Related</b>	<b>938</b>	<b>\$7.95 plus tips</b>	<b>\$7.73 (tips included)</b>	<b>\$8.07 (tips included)</b>

Source: The Nation, Bureau of Labor Statistics

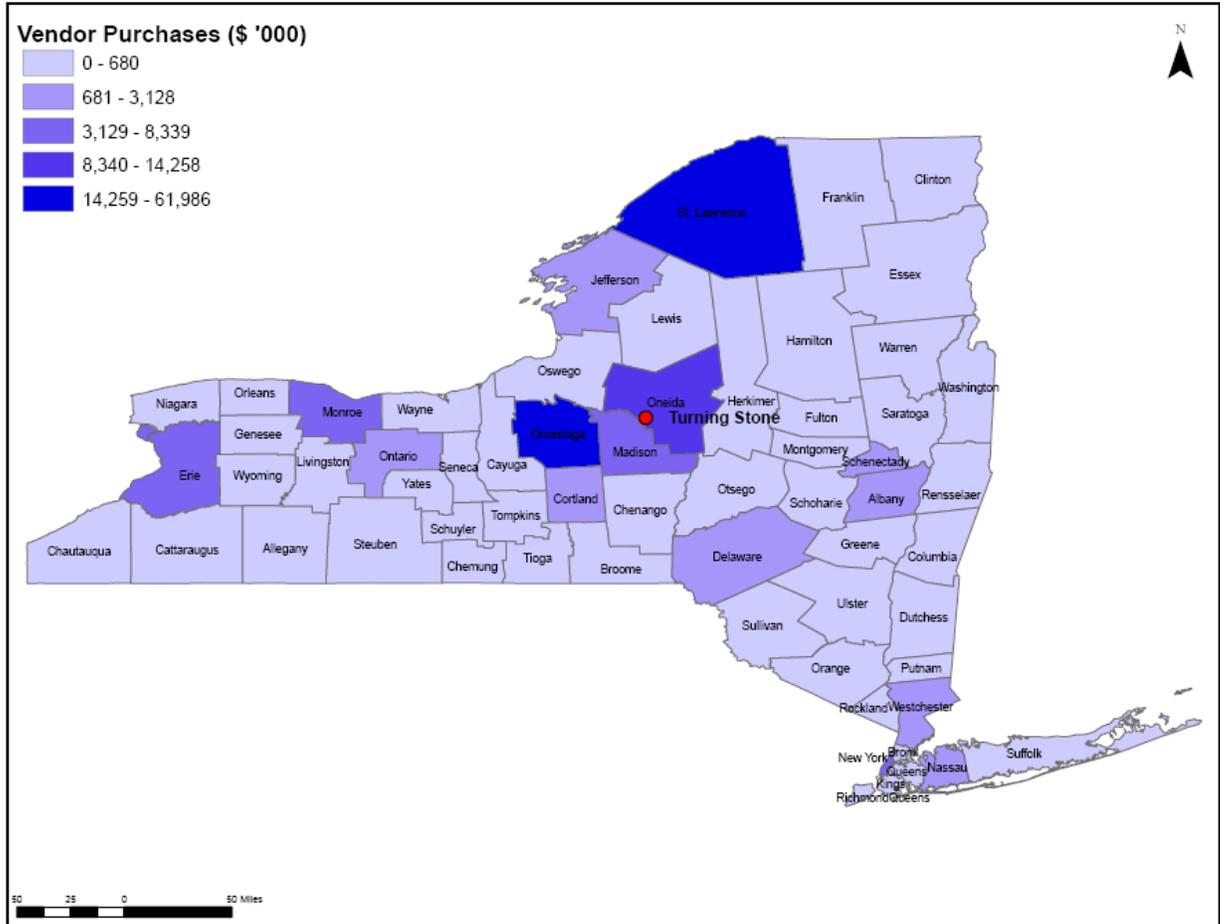
The Nation’s minimum hourly wage for tipped employees of \$4.75 exceeds that of New York State, which is \$4.35 for food service workers (U.S. Department of Labor, no date). The Nation’s minimum wage for other employees equals New York State’s minimum wage of \$6.75.

#### 3.7.5.4 Nation Vendors and Purchases

The Nation purchased goods and services from about 3,840 vendors in FY2005. Many suppliers located in Central New York and in New York State benefited from securing the Nation’s business in a period of relatively slow economic activity.

In FY2005, the Nation’s total expenditures on goods and services totaled about \$286 million. Of this total, 60 percent or \$172 million was supplied by vendors in New York State. As Figure 3.7-16 shows, vendors are located throughout the State with purchases concentrated in Oneida, Onondaga, and St. Lawrence Counties. The Nation purchases goods and services from many different vendors in Oneida and Onondaga Counties; a more limited supply of vendors account for sales from St. Lawrence County.

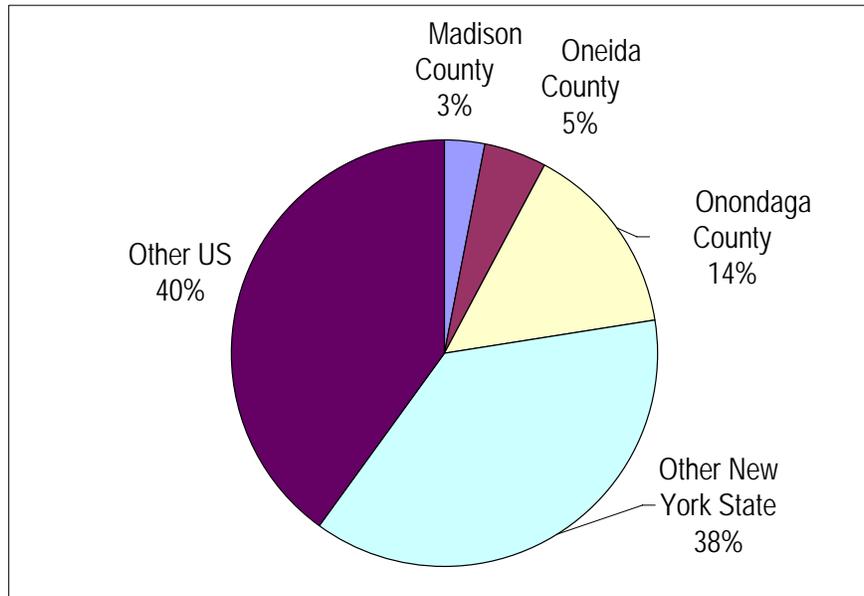
**Figure 3.7-16**  
**Location of Supplying New York State Vendors**  
**of Nation Purchased Goods and Services, FY2005**



Source: Nation Enterprises, FY2005. (Unpublished)

Purchases from approximately 1,190 vendors in Madison, Oneida and Onondaga Counties in 2005 totaled approximately \$64 million. The Nation purchased \$41.4 million of goods and services from more than 560 vendors located in Onondaga County; \$14.3 million from 400 Oneida County suppliers; and \$8.3 million from more than 230 Madison County vendors (see Figure 3.7-17). Examples of major local purchases include construction services, food and beverages, utilities, and professional, technical and business services.

**Figure 3.7-17**  
**Nation Purchases by Vendor Location, FY 2005**



Source: Nation (Unpublished).

#### 3.7.5.5 Nation Construction

Since the early 1990s the Nation has completed several major construction projects (see Table 3.7-81). Construction of the gaming and resort complex started with the construction of the original 42,000 square foot Casino, which was completed in 1993. Additional gaming space and a low-rise hotel, together 259,000 square feet, were added in 1997. In 2004 additional accommodation space was created with the construction of The Lodge and The Tower at Turning Stone. That same year, the gaming and resort complex was further expanded with a 139,000 square foot Event Center. The Nation also built several SavOn gas stations and convenience stores. Not including the spending on the construction of the Turning Stone Resort & Casino construction prior to 1997, the Nation spent a total of \$530 million on the construction of Nation Enterprise buildings.

**Table 3.7-81  
Nation Nonresidential Construction Projects Completed Since 1990**

	<b>Gaming and Resort</b>	<b>Non-Resort Retail and Petroleum / Other Operations</b>	<b>Government</b>
<b>1992</b>			Family Services
<b>1993</b>	Original Casino – 42,443 SF	Smoke Shop – 2,820 SF	Health Center – 5,600 SF Gymnasium – 10,850 SF
<b>1994</b>	RV- Park - 14,090 SF		Recreation Center – 4,160 SF Salt Storage Bldg.– Route 46 Cultural Center – Territory
<b>1995</b>		SavOn Patrick Road Store -5,040 SF	
<b>1996</b>		Snug Harbor Fuel Station	
<b>1997</b>	Low-Rise Hotel and Expanded Gaming – 259,036 SF		
<b>1998</b>	Golf Maintenance Building – 19,022 SF	SavOn Canastota Store – 5,760 SF Storage Building – 1,504 SF SavOn Lenox – Oneida Car Care Center – 10,120 SF	Ray Elm Children and Elders Center - 35,000 SF
<b>2000</b>		SavOn Oneida Lake - Route 31 & 13 – Cozy Corners – Original – 3,168 SF Addition– 1,176 SF Car Wash – 1,768 SF	
<b>2001</b>	Cookhouse – 3,700 SF		Health Center Expansion – 7,700 SF Heavy Equipment Pole Barn – 25,200 SF
			Government Programs Building
<b>2002</b>	Shenendoah Club House – 27,600 SF		Telecommunications Switch Building – 2,224 SF
<b>2003</b>	Parking Garage – 750,000 SF Kaluhyat Golf Course Facilities: <ul style="list-style-type: none"> <li>• Comfort Station – 900 SF</li> <li>• Half-Way House 1,326 SF</li> <li>• Storm Shelter – 256 SF</li> <li>• Pump House – 896 SF</li> </ul> Shenendoah Golf Course - Pump House – 896 SF	Agriculture Building Route 46 – 8,460 SF	
<b>2004</b>	Atunyote Golf Course Facilities: Golf Maintenance Building – 9,443 SF Pump House  The Lodge – 86,152 SF Event Center – 139,070 SF  Winter Garden – 37,000 SF Cart Storage Building – 9,600 SF	Heifer Shed at Curtin Farm SavOn – Beachmart – Verona Beach – 4,818 SF SavOn Smokeshop - Territory (expansion)	Co-Generation Plant – 15,040 SF
<b>2005</b>	Atunyote Club House – 10,000 SF Golf Dome – 76,800	New Central Warehouse – 21,600 SF SavOn Canastota - Canastota (renovations)	
<b>2006 and U/C</b>	Pool – 8,300 SF Golf Maintenance Equipment Storage – 3,000 SF Luxury Spa – 22,000 SF Helipad and Night Club – approx. 18,000 sf	Employee Gas Station - Patrick Road-Verona	

Source: The Nation (unpublished), 2005.

Major Nation government buildings include a 10,800 square foot Gymnasium and the 35,000 square foot Ray Elm Children and Elders Center. The total cost of Nation government construction projects to date is \$16.0 million, \$13.6 million of which was financed by the Nation while the remainder was paid for with federal grants.

**Table 3.7-82  
Nation Construction Spending, 1992-2005**

Type	Total Nation Construction Spending (in \$M)	% funded by the Nation
Nation Enterprises	\$530.4	100%
Nation Government (non-residential)	\$16.0	85%
Housing	\$13.3	40%
Infrastructure	\$7.6	100%
Total	\$567.3	98%

Source: The Nation, 2005; The Louis Berger Group, 2006.

Note: Turning Stone Resort & Casino construction spending prior to 1997 is not included.

The Nation Homeownership and Rental programs provide housing for more than 100 Oneida families. The Nation built or renovated the units for a total cost of \$13.3 million, \$5.3 million of which was paid for by Nation while the remainder was borne by the homeowner or provided by HUD.

The Nation provided funds to improve and develop infrastructure systems belonging to surrounding local governments and benefiting local residents. Infrastructure construction projects included a water line expansion in the Town of Verona and sewer system improvements in the City of Oneida. The Nation contributed \$8 million to these projects.

Through the years, Nation's construction activity has created jobs for local residents in the construction and related industries. The Nation's \$567.3 million construction spending supported an estimated 5,160 construction jobs between 1992 and 2005, or 368 jobs per year on an annualized basis. Ninety-seven percent of these jobs were paid for with Nation funds.

### **3.7.6 Regional Economic Impact**

This section describes three regional Study Areas: (1) a two-county region comprised of Madison and Oneida Counties; (2) a three-county region comprised of Madison, Oneida, and Onondaga Counties; and (3) New York State. Madison, Oneida and Onondaga Counties are the major counties where employees working for the Nation reside and a major share of the many vendors providing goods and services to the Nation are located within this region.

The Nation makes a major contribution to the local and state economy. These economies are affected in four distinct ways:

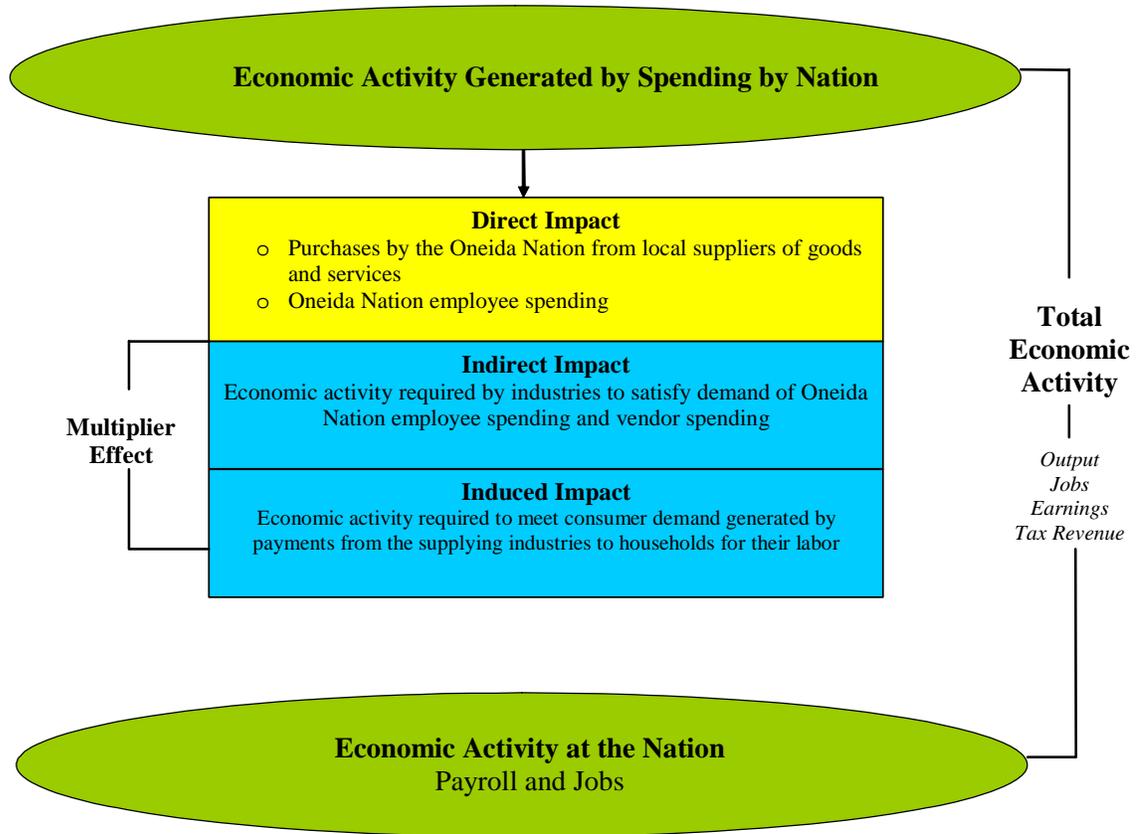
- The Nation Government and Enterprises inject funds into the regional economy by purchasing goods and services from regional establishments;
- The vast majority of the Nation employees live within the region and spend part of their earnings locally;
- The Turning Stone Resort & Casino attracts visitors to the region, some of whom stay at local hotels and purchase other goods and services at local businesses; and
- Some Nation employees and their families who would not live in the region in the absence of the Turning Stone Resort & Casino spend income from non-Nation sources at local businesses.

The regional economic impact of the Nation's government and business activities in Fiscal Year 2005 was estimated for the two-county and the three-county regions and New York State. Economic impacts are reported in terms of output (total sales or revenues), employment, and earnings (wages, salaries, and proprietors' income). The estimates include "multiplier effects," which is economic activity stimulated by expenditures made by the Nation Government and Enterprises, and by its employees.

#### Multiplier Effect

The total impact of spending by the Nation and its employees was estimated using area-specific RIMSII input-output multipliers from the U.S. Department of Commerce's Bureau of Economic Analysis. The total impact incorporates the multiplier effect, which accounts for three separate effects as diagrammed in Figure 3.7-18. Expressed numerically, a multiplier of 1.50 indicates that for every dollar directly generated by the industry under study, an additional \$0.50 of ripple effects are felt within the local region, for a total impact of \$1.50.

**Figure 3.7-18**  
**Diagram of Economic Impacts**  
**Direct, Indirect and Induced Impacts**



Source: The Louis Berger Group, 2006.

Note: Output is sales or revenues; Earnings are wages, salaries and proprietor's income.

- **Direct Impact** corresponds to the initial changes in final demand that Nation's government and business activities created. The Nation and its employees regularly purchase goods and services from local vendors and suppliers.
- **Indirect Impact** includes the consecutive rounds of industry spending on goods and services that were triggered by the initial change in final demand. Local businesses from which the Nation purchases goods and services typically purchase some of their materials and services from other local businesses, which then in turn purchase from their local suppliers, and so on.
- **Induced Effect** refers to the impact triggered by increased household spending by employees of the directly and indirectly affected businesses. Employees spend part

of their earnings at local establishments, which in turn purchase some of their input materials and services locally to satisfy this demand, and so on.

The initial expenditure of funds by the Nation and its employees stimulates successive rounds of economic activity which is referred to as the ripple or multiplier effect. The ripple effect can account for a significant portion of the total regional economic impact. Together, the indirect and induced impacts constitute the multiplier effect, the extent to which the direct impact results in additional economic activity. Expressed numerically, a multiplier of 1.50 indicates that for every dollar directly generated by the industry under study, an additional \$0.50 of ripple effects are felt within the local region, for a total impact of \$1.50.

### 3.7.6.1 Economic Activity

#### Employee Spending

In FY2005, the Nation spent \$110 million on payroll. About \$90 million, or 82 percent of the total payroll, was paid to employees living in Madison and Oneida Counties. An additional \$12 million was paid to employees living in Onondaga County. A total of \$108 million was paid to New York State residents. Employees spent part of their earnings locally through purchases of food, clothing, health services, education, entertainment and other goods and services, which triggers the multiplier effects described above. As shown in Table 3.7-83, local spending by employees of the Nation supported economic activity at other businesses in the local region and New York State:

- *Two-County Region* – The two-county regional impact is the impact of spending in Madison and Oneida County on the Madison and Oneida County economy. Employee spending in Madison and Oneida Counties generated a total of 695 jobs and \$86.7 million in output, including \$23.5 million in earnings.
- *Three-County Region* – The three-county regional impact is the impact of the spending in these three counties on the Madison, Oneida, and Onondaga County economies. It includes but is not limited to the two-county impact. Nation employee spending in the three-county region supported 865 jobs and \$113.8 million in output, including \$31.2 million in earnings, at other businesses in Madison, Oneida and Onondaga Counties.
- *New York State* – The impact on New York State is the impact of spending in New York State on the New York State economy. It includes but is not limited to the impact of spending within the three-county region (i.e., Madison, Oneida, and Onondaga County) economies. Employee spending throughout New York State supported 1,000 jobs at other businesses in New York State and generated a total of \$139.1 million in output, including \$37.6 million in earnings at other businesses in New York State.

**Table 3.7-83**  
**State and Local Economic Activity Supported by Nation Spending on Goods and Services, 2005**

	Two-County Region			Three-County Region			New York State		
	Output (\$000)	Earnings (\$000)	Jobs	Output (\$000)	Earnings (\$000)	Jobs	Output (\$000)	Earnings (\$000)	Jobs
Gaming and Resort	65,501	17,739	525	84,416	23,140	642	103,331	27,930	743
Government	15,444	4,183	124	22,107	6,060	168	27,166	7,343	195
Non-Gaming Business	5,771	1,563	46	7,266	1,992	55	8,593	2,323	62
<b>Total</b>	<b>\$86,717</b>	<b>\$23,485</b>	<b>695</b>	<b>\$113,789</b>	<b>\$31,192</b>	<b>865</b>	<b>\$139,090</b>	<b>\$37,596</b>	<b>1,000</b>

Source: The Louis Berger Group, Inc., Bureau of Economic Analysis, RIMSII Multipliers.  
Note: Output is sales or revenues; Earnings include wages, salaries and proprietor's income.

*Nation Spending on Goods and Services*

The Nation spent a total of \$22.6 million in FY2005 in Madison and Oneida Counties, \$41.4 million in Onondaga County and \$95 million throughout the rest of the State. Table 3.7-84 reports the total economic activity supported by the Nation's purchases of goods and services for the local region and New York State:

- *Two-County Region* – The Nation's spending on goods and services in Madison and Oneida Counties supported 218 jobs and \$30.6 million in output, including \$8.6 million in earnings in the two-county region.
- *Three-County Region* – Nation spending in Madison, Oneida, and Onondaga Counties supported \$87.4 million in output, including \$22.8 million in earnings, and 536 jobs at other businesses in the three-county region.
- *New York State* – The Nation's spending on goods and services supported a total of \$228.5 million in output, including \$60.2 million in earnings, and a total of 1,311 jobs.

**Table 3.7-84**  
**State and Local Economic Activity Supported by Nation Spending on Goods and Services, 2005**

	Two-County Region			Three-County Region			New York State		
	Output (\$000)	Earnings (\$000)	Jobs	Output (\$000)	Earnings (\$000)	Jobs	Output (\$000)	Earnings (\$000)	Jobs
Gaming and Resort	22,219	6,266	160	54,327	14,792	352	94,012	27,229	634
Government	4,102	1,244	30	8,616	2,668	57	20,617	6,334	128
Non-Gaming Business	4,248	1,084	28	24,489	5,360	127	113,875	26,600	549
<b>Total</b>	<b>\$30,570</b>	<b>\$8,594</b>	<b>218</b>	<b>\$87,432</b>	<b>\$22,820</b>	<b>536</b>	<b>\$228,504</b>	<b>\$60,164</b>	<b>1,311</b>

Source: The Louis Berger Group, Inc., Bureau of Economic Analysis, RIMSII Multipliers.  
Note: Output is sales or revenues; Earnings include wages, salaries and proprietor's income.

*Off-site Visitor Spending*

Turning Stone Resort & Casino attracts visitors to the region. Only 39 percent of visitors reside locally (defined here as Utica and surrounding region). Some of the remaining out-of-region visitors spend money at other local businesses (hotels, restaurants, retail stores), which generates additional economic activity for the region.

The visitor spending patterns of Turning Stone Resort & Casino guests to retail, gas, food, lodging, culture and recreational establishments off-resort lands by out-of-region visitors has not been surveyed by the Nation, but the increase in hotel occupancy revenues presented in Section 3.7.7 provides evidence of an increasing amount of off-site visitor spending in the area. On event weekends when the Turning Stone Resort & Casino hotels are fully-occupied, local hotels benefit from additional customers. It is also likely that some visitors will purchase a meal or a drink at non-Nation stores and restaurants. If every out-of-region visitor in 2005 spent only \$5 (assuming that the average visitor would spend \$1.50 on lodging, \$1 on retail, and \$2.5 at bars and restaurants) at non-Nation local businesses, the total economic activity generated in Madison and Oneida County would be 206 jobs and \$17.6 million in output, including \$4.8 million in employee compensation.

*Spending of Two-Worker Households with a Nation Employee (Tertiary Impact)*

Because of Central New York's poor economic performance, some Nation employees and their families would have left the region in the absence of the Turning Stone Resort & Casino. A smaller number of Nation employees and their families would have never moved to the region if it weren't for a job at Turning Stone. Many of these families are two-worker families who spend part of the second salary at local businesses, generating additional economic activity.

Based on the U.S. Bureau of the Census, Public Use Microdata Sample for the region that includes Oneida and Madison counties, 54 percent of households with at least one worker have two or more workers. Their household income is 40.7 percent higher than the income of one-worker households. Applying these percentages to the Nation's payroll yields an additional \$22.1 million in employee compensation earned by Nation employee spouses and other household members. Taking into account the multiplier effect, this employee compensation generates a total of \$20.3 million in output, \$5.5 million in earnings, and 173 jobs in Madison and Oneida County.

Because of lack of data, it cannot be estimated how much of the economic activity generated by the additional household spending is attributable to the presence of the Turning Stone Resort & Casino. But, if only 25 percent of these households would not have been in the region in the absence of the Turning Stone Resort & Casino, the Nation's tertiary impact would be \$5.1 million in output, \$1.4 million in earnings, and 41 jobs in Madison and Oneida Counties in 2005.

*Total Economic Activity Supported by the Nation*

The sum of the economic activity supported by spending by the Nation and its employees as presented in Tables 3.7-83 and 3.7-84 and the economic activity at the Nation itself (i.e., the jobs at the Nation is presented in Table 3.7-85). These numbers do not include the economic activity generated by off-site visitor spending or Nation employee household spending of income from non-Nation sources, as this impact cannot be quantified due to lack of data.

- Two-County Region – The Nation supported 4,913 jobs in Madison and Oneida Counties, which is 3.1 percent of all jobs in the two-county area or 31 out of every 1,000 jobs. A total of \$122.0 million in earnings was supported by the Nation.
- Three-County Region -- The Nation supported 5,781 jobs and \$156.5 million in earnings in Madison, Oneida, and Onondaga Counties in FY2005, including jobs at the Nation and jobs generated by the Nation and its employees' spending on goods and services.
- New York State -- The total economic activity supported by the Nation in New York State includes 6,913 jobs and \$205.4 million in earnings.

**Table 3.7-85  
Total Economic Activity, Nation, 2005**

	Two-County Region		Three-County Region		New York State	
	Earnings (\$000)	Jobs	Earnings (\$000)	Jobs	Earnings (\$000)	Jobs
Economic Activity Generated by Spending by the Nation and its Employees*	32,079	912	54,012	1,401	97,759	2,312
Economic Activity at the Nation**	89,964	4,001	102,477	4,380	107,604	4,601
<b>Total Economic Activity</b>	<b>\$122,043</b>	<b>4,913</b>	<b>\$156,489</b>	<b>5,781</b>	<b>\$205,363</b>	<b>6,913</b>

Source: The Louis Berger Group, Inc., Bureau of Economic Analysis, RIMSII Multipliers.  
 Note: Output is sales or revenues; Earnings include wages, salaries and proprietor's income.  
 \*See Tables 3.7-82 and 3.7-83  
 \*\*Includes only jobs and earnings of local residents

**3.7.6.2 New Impacts**

Not all spending by the Nation and its employees generates a net new economic impact in the region or in New York State. The economic activity generated by the Nation as presented in Section 1.10.1 is offset in two ways. First, in the absence of the Turning Stone Resort & Casino, part of the money spent on wagering would have been spent at other regional businesses. Second, part of the money spent at the Nation's gas and convenience stores would have been spent at other stores in the region. In so far that Nation business substituted for other regional business, the Nation did not generate a net new economic impact in the region.

The following section assesses the net new economic impact of the Turning Stone Resort & Casino, the other Nation enterprises, and the Nation government.

### **Gaming and Resort**

A review of 36 major gaming economic impact studies by Rose for the National Gambling Impact Commission revealed that only about half of the studies included offset effects (e.g., the impact of the gaming operation is offset by the loss of business at other local establishments). Furthermore, most of the studies that did include these effects did not quantify them or report them separately. The majority of the studies follow an “either-or” approach in which they assume that all spending by local patrons either constitutes substitution of other spending or is net new spending. Gaming impact studies of the first group claim that only revenues from out-of-region sources generate a net new regional economic impact (Eadington, 1995). This approach assumes that spending by local patrons would have occurred at other regional businesses (gaming and non-gaming) in the casino’s absence. Gaming studies of the second group assume that all economic activity generated by the casino represents net new activity to the region (Cornell, 2001).

More moderate research studies recognize that most local patrons probably would have spent part of the money used for wagering outside the region in the casino’s absence. To the extent that the casino is able to “recapture” resident spending that would have otherwise left the region, the casino operations contribute a net new impact on the regional economy.

The Leven et al. (1998) study, which analyzes the economic impact of all Missouri casinos, is one of the few that quantifies which percent of spending by local patrons represents net new economic activity. The study assumes that in the casinos’ absence, local residents would have used the money spent at the casinos in three ways: (1) savings; (2) spending at out-of-region businesses; and (3) spending at other regional businesses. The study points out that even in (3), the casinos’ net impact may still be positive because the alternative use (e.g., retail) may have a lower multiplier effect than gaming. Leven et al. used the results of a patron telephone survey, data from the U.S. Bureau of Labor Statistics Consumer Expenditures Survey, and estimates of income elasticity of demand to assess how local patrons would have spent their money in the casinos’ absence. While certain aspects of the implementation of the methodology used by Leven et al. were criticized by Goodman and Feser (1998), the reviewers stated that the methodology itself was fundamentally sound.

Using a moderate approach, the analysis in this section takes into account the source of the Nation’s revenues to determine the extent to which the Nation’s spending generated net new regional activity. Revenues from out-of-region visitors represent a new flow of money into the region and generate net new economic activity. The extent to which revenues from local patrons generate net new economic activity in the region, on the other hand, depends on how the residents would have used the funds in the Turning Stone Resort & Casino’s absence. Local patron revenues generate a net new economic impact

only to the extent that the funds would have been used for: (1) savings; (2) spending at out-of-region businesses; and (3) spending at regional businesses that generate a lower multiplier effect. In the latter case, the net new impact would be the difference between the multiplier effect of gaming and other activities.

Madison and Oneida County residents generated 24 percent of the revenues of the Turning Stone Resort & Casino and residents of Onondaga County generated 23 percent. A total of 93 percent of the Turning Stone Resort & Casino revenues came from New York State residents. While it can be assumed based on national data provided by the Bureau of Economic Analysis for 2004, that local patrons would have saved 1.6 percent of the money that they spent at the Turning Stone Resort & Casino, where these local patrons would have spent the remaining 98.4 percent in its absence depends in part on the alternative discretionary spending options in the region and the surrounding areas.

Because it is difficult to determine where local patrons would have spent their wagering budget in the absence of the Turning Stone Resort & Casino, the net new impact of the Nation's gaming and resort activities are assessed using a two-step approach. First, the net new impact is calculated under four scenarios, resulting in a range of impact estimates. Second, information about alternative discretionary spending options in the region and surrounding areas is presented to provide guidance as to where within the range the true net new impact is likely to fall.

#### ***Range of Net New Impacts***

The section presents the net new impact of the Nation's gaming and resort activities under four different scenarios, with 25 percent, 50 percent, 75 percent and 95 percent of local patron spending representing net new economic activity, respectively (see Table 3.7-86). Under these three scenarios, the net new economic impact of gaming and resort in 2005 in Madison and Oneida County ranged from \$75.5 million to \$91.0 million in earnings and included 3,250 to 3,916 jobs. The net new impact in the three-county region ranged from \$73.9 million to \$111.5 million in earnings and 2,968 to 4,476 jobs. The net new economic impact on the New York State economy ranged from \$41.0 million to \$129.0 million in earnings and included 1,557 to 4,909 jobs statewide.

**Table 3.7-86**  
**Net New Economic Impact of the Nation's**  
**Gaming and Resort Activities**  
**on Madison, Oneida, and Onondaga Counties and New York State**

Percent Net New (% of local resident spending)	25%	50%	75%	95%
<b>Madison and Oneida Counties</b>				
Earnings (in \$000s)	\$75,522	\$81,048	\$86,574	\$90,995
Jobs	3,250	3,488	3,726	3,916
<b>Madison, Oneida and Onondaga Counties</b>				
Earnings (in \$000s)	\$73,921	\$87,335	\$100,749	\$111,480
Jobs	2,968	3,507	4,045	4,476
<b>New York State</b>				
Earnings (in \$000s)	\$40,993	\$72,393	\$103,854	\$129,022
Jobs	1,557	2,754	3,951	4,909

Source: The Louis Berger Group, Inc.; Bureau of Economic Analysis, RIMSII.  
Note: Earnings include wages, salaries, and proprietor's income.

***Alternative Discretionary Spending Options for Residents of Madison, Oneida, and Onondaga Counties***

*Gaming*

The extent to which local patrons would have spent their money on gaming in the Turning Stone Resort & Casino's absence partly depends on the presence of other gaming facilities, their characteristics, and their location. While the Turning Stone Resort & Casino is the only casino, there are a limited number of other gaming activities in the three-county region. For example, regional gaming facilities include a horse race track in Syracuse (Onondaga County), called the Syracuse Mile, and another in Vernon (Oneida County), called Vernon Downs. These facilities are relatively small with total wagering in 2004 being \$0.5 million and \$10 million, respectively.

Larger gaming facilities are located outside the region but within a two-hour drive from Verona. The two race tracks with gaming machines, the Saratoga Gaming and Raceway in Saratoga Springs (Saratoga County) and the Finger Lakes Racetrack in Farmington (in Ontario County) reported 2004 revenues of \$77 million and \$55 million, respectively. Lakeside Entertainment, the Cayuga tribe's small Class II gaming facility in Union Springs (in Cayuga County) reported revenues of \$5 million in 2004. Table 3.7-87 identifies points of gaming competition outside the three-county region.

**Table 3.7-87  
Revenues of Gaming Operations Outside Madison, Oneida, and Onondaga Counties  
and Turning Stone Resort & Casino.**

Gaming Operation	Location	Distance from Verona, New York		Revenues
		Miles	Hours	
Saratoga Gaming and Racing	Saratoga Springs, New York	113 mi	2:05	\$77M
Finger Lake Racetrack	Farmington, New York	96 mi	1:41	\$55M
Lakeview Entertainment	Union Springs, New York	75 mi	1:32	\$5M
Turning Stone Resort & Casino	Verona, New York	0 mi	0:00	\$215M

Source: Center for Governmental Research, Inc.; Nation ; New York State Racing and Wagering Board; the Louis Berger Group, Inc.

*Other Recreation and Entertainment*

In the absence of the Turning Stone Resort & Casino, a portion of local patron spending would likely have been redirected to other types of recreation and entertainment activities. Activities available in the region include museums and galleries, performing arts, and sporting events in the City of Syracuse (Onondaga County), historic towns and villages, golf courses, and several other opportunities for outdoors recreation throughout the region.

*Other Discretionary Spending*

Finally, part of the spending would have been redirected to other forms of discretionary spending such as clothing and furniture purchases or dining out. Shopping centers in Onondaga County include the Carousel Center in Syracuse, the Fingerlakes Mall in Auburn, the Great Northern Mall in Clay, the Shoppingtown Mall in DeWitt. In Oneida County there is Riverside Center and Senpik Mall in Utica.

Retail demand and supply estimates from ESRI Business Information Solutions, a private provider of market data, show that local retail supply did not meet local demand in Madison and Oneida County in 2005. The data also shows that there was a very large shortage of eating and drinking establishments in the two-county region. According to this data, which does not take into account Nation sales, Madison and Oneida County residents spent an estimated total of \$109 million on retail and dining out outside of the two-county area.

In the three-county region, local retail supply was larger than local demand (see Table 3.7-88). Local supply for eating and drinking, on the other hand, did not meet local demand. Thus, while local retailers received part of their revenues from customers who reside outside the region, out-of-region restaurants fulfilled part of the local residents' demand for eating and drinking.

**Table 3.7-88  
Demand and Supply  
for Retail and Eating and Drinking Sectors  
Madison, Oneida, and Onondaga Counties, 2005  
(in \$millions)**

	Supply (Sales)	Demand	Surplus/Leakage
<b>Madison and Oneida Counties</b>			
Retail	\$2,335	\$2,344	-\$9
Eating and Drinking	\$294	\$394	-\$100
<b>Madison, Oneida, and Onondaga Counties</b>			
Retail	\$6,683	\$6,364	+\$319
Eating and Drinking	\$849	\$1,072	-\$223

Source: ESRI Business Information Solutions, 2005.

Note: This does not include sales at the Nation Enterprises.

In summary, there are very few alternative gaming opportunities available in the region. In the absence of the Turning Stone Resort & Casino, local residents are most likely to visit larger gaming facilities nearby, but outside the region. The data also suggest that other types of entertainment and recreation venues within the region, especially indoor activities outside the Syracuse area in Onondaga County, are somewhat limited. There is also a relative shortage of eating and drinking establishments in both the two- and three-county region and a shortage of retail opportunities in Madison and Oneida Counties. While there is no shortage of retail opportunities in the three-county region, retail spending typically generates a smaller multiplier effect than gaming.

This information suggests that the true net new impact of the Nation's gaming and resort activities in the two-county region is likely to be very close to the upper end of the range presented in Table 3.7.86 (earnings ranging from \$75.5 million to \$91.0 million and 3,250 to 3,959 jobs). The net new impact on three-county region is also likely to be closer to the upper end of the range (earnings ranging from \$73.9 million to \$111.5 million and jobs from 2,968 to 4,476).

***Alternative Discretionary Spending Options for New York State Residents***

In 2005 there were eight major gaming operations in New York State and 17 facilities in the surrounding states and Southern Ontario (see Table 3.7-89). The New York casinos' ability to compete with out-of-state casinos is influenced by casino characteristics such as size, gaming choices, amenities, image, and location relative to other casinos (Rose, 1998). While the revenues of the facilities listed in Table 3.7-89 provide an indication of their relative attractiveness, the information is limited as to how the existence of the Turning Stone Resort & Casino likely influenced the other casinos' revenues.

**Table 3.7-89**  
**Major Gaming Operations near Turning Stone Resort & Casino,**  
**New York and Surrounding States and Ontario, Canada**

Gaming Operation	Location	Distance from Verona New York		Revenues
		Miles	Hours	
<b>New York State</b>				
Saratoga Gaming and Racing	Saratoga Springs, New York	113 mi	2:05	\$77M (2004)
Finger Lake Racetrack	Farmington, New York	96 mi	1:41	\$55M (2004)
Buffalo Raceway	Buffalo, New York	179 mi	2:55	\$27M (2004)
Monticello Raceway	Monticello, New York	157 mi	3:11	\$32M (2004)
Turning Stone Resort & Casino	Verona, New York	0 mi	0:00	\$215M (2004)
Akwesasne Mohawk Casino	Hogansburg, New York	215 mi	3:43	\$20M (N/A)
Seneca Niagara Casino	Niagara Falls, New York	192 mi	3:12	\$294M (2004)
Seneca Allegany Casino	Salamanca, New York	237 mi	3:54	\$17M (2004)
<b>Out-of-State</b>				
Casino Niagara and Fallsview	Niagara Falls, Ontario	194 mi	3:16	\$389M (2004)*
Fort Erie Racetrack	Fort Erie, Ontario	184 mi	3:04	\$73M (2004)*
Thousand Island Charity Casino	Gananoque, Ontario	137 mi	2:19	N/A
Foxwood Casino	Mashantucket, Connecticut	274 mi	4:36	\$820M (win in FY2004-05)
Mohegan Sun Casino	Uncasville, Connecticut	269 mi	4:22	\$823M (win in FY2004-2005)
All Casinos in Atlantic City (12)	Atlantic City, New Jersey	349 mi	5:51	\$4,087M (win in 2004)

Source: Center for Governmental Research, Inc.; Nation ; New York State Racing and Wagering Board; the Louis Berger Group, Inc.

Note: \* Based on an exchange rate of 1USD=1.166CAD.Source:

Contrary to the local region, New York State offers a wide selection of gaming, other recreational, retail, and eating and drinking opportunities to its residents. It can however be reasonably expected that, in the absence of the Turning Stone Resort & Casino, part of the spending by New York State residents would have occurred at one or more of the 17 out-of-state gaming facilities. In so far that the Turning Stone Resort & Casino was able to “recapture” this spending, it generated a net new impact for the state.

Even when spending by state residents at Turning Stone Resort & Casino would have replaced other in-state spending, the Turning Stone Resort & Casino could still have had a positive net new impact if the replaced activity produced a lower multiplier effect than the Turning Stone Resort & Casino.

### **Other Nation Enterprises**

The SavOn gas stations and convenience stores are the second largest Nation Enterprise after the Turning Stone Resort & Casino. The Nation’s petroleum operations generated 82 percent of the revenues generated by the Nation’s “Other Enterprises,” which includes all Nation Enterprises except the gaming and recreation activities. While it varies by SavOn

gas station and convenience store location, the Nation estimates that about 25 percent of its gasoline sales are non-local and 60 percent of its cigarette sales are non-local. In review of the relative contribution of these products to the costs of goods sold, it can be estimated that about 35 percent of sales are attributable to non-local residents (i.e., Madison and Oneida county residents) which would be a source of net new economic activity.

Table 3.7-90 shows the net new impact of the other Nation Enterprises in three different scenarios, where 25 percent, 50 percent, 75 percent, and 95 percent of the total spending at the Nation's gas and convenience stores represents net new economic activity. The impact on the Madison and Oneida Counties ranged from \$3.9 million to \$8.3 million in earnings and from 131 to 356 jobs. In the three-county area the impact ranged from \$8.6 million to \$13.6 million in earnings and from 252 to 491 jobs. Given the above market assumptions for the SavOn gas station and convenience store establishments, the net new economic activity impact to the two-county region and three-county regions would fall in the 25 and 50 percent range.

The impact on the State ranged from \$27.3 million to \$35.0 million in earnings and included 625 to 932 jobs. Given the market drawing power of the Turning Stone Resort & Casino outside New York State, it is likely that net new impact falls below the 25 percent range.

As a federally recognized Indian tribe, the Nation does not collect federal, state, and local taxes. The Nation elected to tax certain products and services sold by its enterprises in order to defray the cost of certain tribal government programs and services. The Nation sales tax brings the sale price at the Nation's gas and convenience stores closer to the market price. There remains, however, a difference in the sales price of gasoline and tobacco products at the Nation Enterprises and at other stores, mostly because of high State excise taxes.

**Table 3.7-90  
Net New Economic Impact of the Nation's Other Enterprises  
on Madison, Oneida, and Onondaga Counties and New York State**

Percent Net New	25%	50%	75%	95%
<b>Madison and Oneida Counties</b>				
Earnings (in \$000s)	\$3,946	\$5,509	\$7,071	\$8,321
Jobs	131	211	292	356
<b>Madison, Oneida and Onondaga Counties</b>				
Earnings (in \$000s)	\$8,584	\$10,361	\$12,137	\$13,558
Jobs	252	337	423	491
<b>New York State</b>				
Earnings (in \$000s)	\$27,304	\$30,061	\$32,817	\$35,023
Jobs	625	735	845	932

Source: The Louis Berger Group, Inc.; Bureau of Economic Analysis, RIMSII.  
Note: Earnings include wages, salaries, and proprietor's income.

The Nation's sovereign status combined with its price-driven competitive strategy for the SavOn gas station and convenience store market is alleged to have an adverse effect on other businesses, as the Nation draws potential sales from other gas stations than it would have if it charged the same or higher prices. A tax parity agreement between the Nation and the State of New York, under which the Nation would impose a tribal sales and excise tax that meets or exceeds the State tax, would address this issue. The Nation and the State have been working towards a tax parity agreement since the 1990s (See Section 1.5.2 for more information).

**Nation Government**

The operations of the Nation Government are largely supported by the Nation Enterprises. Nation Enterprise revenues and tribal taxes on their sales account for about 90 percent of total Nation Government revenues. The remaining Nation Government revenues come from charges for services and federal grants.

To the extent that the Nation Government is supported by or through the Nation's business activities, not all the economic activity it generates represents net new activity to the region. The net new assumptions about the gaming and resort activities and other Nation enterprises (explained above in Sections 1.10.3.1 and 1.10.3.2) are used to determine the net new Nation Government economic impact.

Table 3.7-91 shows that the total net new economic activity generated by the Nation Government in the two-county region ranged from \$15.4 to \$20.9 million in earnings and from 418 to 567 jobs. In the three-county region the impact ranged from \$17.5 million to \$27.7 million and 425 to 671 jobs. In New York State the net new impact ranged from \$13.9 million to \$33.1 million and 326 to 778 jobs.

**Table 3.7-91**  
**Net New Economic Impact of Nation Government activities**  
**on Madison, Oneida, and Onondaga Counties and New York State**

Percent Net New	25%	50%	75%	95%
<b>Madison and Oneida Counties</b>				
Earnings (in \$000s)	\$15,415	\$17,380	\$19,345	\$20,916
Jobs	418	471	524	567
<b>Madison, Oneida and Onondaga Counties</b>				
Earnings (in \$000s)	\$17,524	\$21,159	\$24,793	\$27,701
Jobs	425	513	601	671
<b>New York State</b>				
Earnings (in \$000s)	\$13,878	\$20,744	\$27,609	\$33,102
Jobs	326	488	649	778

Source: The Louis Berger Group, Inc.; Bureau of Economic Analysis, RIMSII.  
Note: Earnings include wages, salaries, and proprietor's income.

**Net New Impact of the Nation**

In summary, the net new impact of the Nation on the Madison and Oneida County economy in 2005 ranged from \$94.1 million to \$120.2 million in earnings and from 3,799 to 4,839 jobs (see Table 3.7-92). The net new impact on the three-county region included \$100.0 to \$152.7 million in earnings and 3,645 to 5,639 jobs. In New York State the net new impact of the Nation ranged from \$82.2 million to \$197.1 million in earnings and from 2,509 to 6,619 jobs.

**Table 3.7-92**  
**Range of Net New Impact of the Nation**

<b>Madison and Oneida Counties</b>				
Earnings (in \$000s)	\$94,883	\$103,937	\$112,990	\$120,232
Jobs	3,799	4,170	4,542	4,839
<b>Madison, Oneida and Onondaga Counties</b>				
Earnings (in \$000s)	\$100,029	\$118,854	\$137,679	\$152,739
Jobs	3,645	4,357	5,069	5,639
<b>New York State</b>				
Earnings (in \$000s)	\$82,175	\$123,198	\$164,280	\$197,147
Jobs	2,509	3,977	5,445	6,619

Source: The Louis Berger Group, Inc.; Bureau of Economic Analysis, RIMSII.  
Note: Earnings include wages, salaries, and proprietor's income.

This estimate does not include the impact of off-site visitor spending and the tertiary impact (i.e., additional spending by two-worker household with a Nation employee) which are additional economic impacts that are associated with Nation operations.

**3.7.7 Nation Contributions to Federal, State, and Local Government**

As a federally recognized sovereign nation, the Nation is not subject to federal or state income taxes. Notwithstanding its nontaxable status, the Nation, through its various enterprises, directly or indirectly generates substantial revenues for federal, state and local governments. In addition to the Nation’s direct contributions through agreements and grants to state and local government, revenues include taxes levied on salaries paid to Nation employees and indirectly generated tax revenues such as revenues associated with the “multiplier effect” that arise from the purchase of goods and services by the Nation and its employees (e.g., when a the Nation employee spends his salary in the community, it gives rise to further economic activity which then becomes subject to federal, state, and local taxation. See Section 3.7.6). Finally, because of its high degree of self-sufficiency, the Nation has assumed many of the governmental, public safety, and social welfare expenditures otherwise borne by federal, state, and local government, thereby reducing the fiscal burdens placed on those governments.

**3.7.7.1 Federal Government**

Although the Nation is a sovereign nation, and therefore is not subject to federal income taxes, its employees pay taxes just as they would if they worked for a non-tribal employer. Therefore, these jobs generate a significant amount of revenues for the federal government.

In FY 2005, Nation employees paid \$9.86 million in federal income taxes that were withheld from their paycheck. They paid \$7.6 million in Social Security and Medicare taxes (see Table 3.7-93).

**Table 3.7-93  
Federal Taxes Collected from Employees  
Nation Payroll, FY 2005**

	Federal Income Tax	Social Security and Medicare Tax
Amount Paid	\$9.86 m	\$7.6 m

Source: Nation Enterprises, FY 2005, Unpublished.

**3.7.7.2 New York State**

***State Income Taxes Paid By Nation Employees***

In addition to federal income tax, non-Native American Nation employees pay state income taxes. As previously discussed, the Nation is the largest employer in the area, and 96 percent of its employees are non-Native American. In FY2005, the Nation withheld \$3.44 million in tax income taxes from its payroll.

***Other Indirectly Generated State Revenues***

The Nation spent \$172 million on purchases of goods and services from New York State vendors in FY2005. Ninety-eight percent of Nation employees live in New York State and received \$108 million in payroll in FY2005. In addition to the state personal income

taxes, Nation employees pay sales tax on household consumer expenditures such as food, apparel and other sundries.

Through the “multiplier effect”, purchases made by the Nation and its employees generate additional economic activity and State tax revenues. It is estimated that the Nation indirectly generated a total of \$6.5 million in State personal income, corporate income and sales tax revenues in 2005. Further detail on the multiplier effect used to make this estimate is presented later in this Technical Report.

### ***New York State - Other Revenue Sources***

The Nation directly contributes to New York State revenues through payments to the New York State Police and the New York Racing and Wagering Board. The increased traffic generated by the Nation Enterprises generates additional revenues for the New York State Thruway Authority. Nation employees pay state income taxes. Additional personal income tax revenues as well as corporate income and sales tax revenues are indirectly generated by the Nation’s economic activity.

#### ***New York State Police***

The New York State Police conducts background investigations on all Casino employees and vendors and provides law enforcement services within the Casino. The Nation reimburses the State Police for the expenditures related to these services including the cost of administrative and casino unit personnel, additional special personnel, fringe benefits, and non-personnel service costs. The Nation paid approximately \$2.1 million and \$2.2 million to the New York State Police in FY2004 and FY2005, respectively.

#### ***New York Racing and Wagering Board***

Gaming Inspectors from the New York State Racing and Wagering Board conduct regular compliance examinations for the Turning Stone Casino. The Nation is required to pay for all regulatory expenses incurred by the Board, including personnel and equipment costs. The Nation paid \$3.1 million and \$2.8 million to the New York Racing and Wagering Board in FY2004 and FY2005, respectively. In FY2005, expenditures included personnel service costs for 13 employees assigned to the Turning Stone Resort & Casino and roughly 40 administrative employees located in Albany, New York.

#### ***New York State Thruway Authority***

Since the Turning Stone Resort & Casino opened in 1993, traffic flow at Exit 33 along the New York State Thruway has increased over 260 percent. By 2003, average daily traffic leaving Exit 33 increased to 7,000 vehicles. The largest yearly increase in traffic flow, 23.5 percent, occurred in 1993, the Casino’s opening year. Annual traffic flow continues to increase at rates between 3 and 4 percent each year.

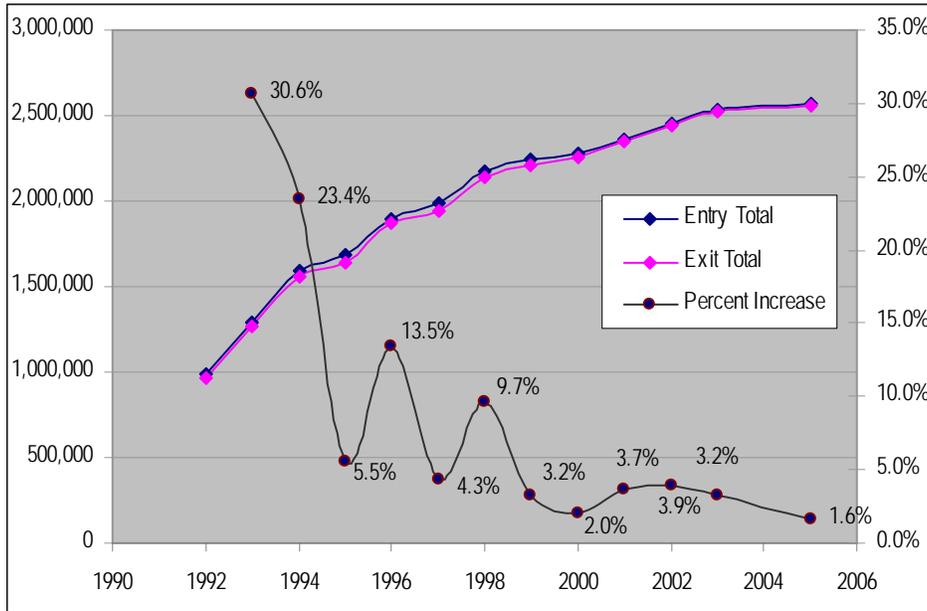
In the first twelve years since the casino opened, more than \$23.1 million in tolls have been paid by vehicles passing through Exit 33. Increased traffic at Exit 33 has generated substantial additional revenues for the New York State Thruway Authority.

Between 1992 and 1993, the year the Turning Stone Resort & Casino opened, toll revenue at Exit 33 jumped by about 19 percent. During the casino's first full year in business (between 1993 and 1994), toll revenues collected at Exit 33 increased by an additional 21.2 percent. Since 1992, traffic exiting at Exit 33 has produced over \$41 million in revenue, an overall increase of approximately 260 percent. Figure 3.7-19 shows how traffic and revenue at Exit 33 continues to increase each year.

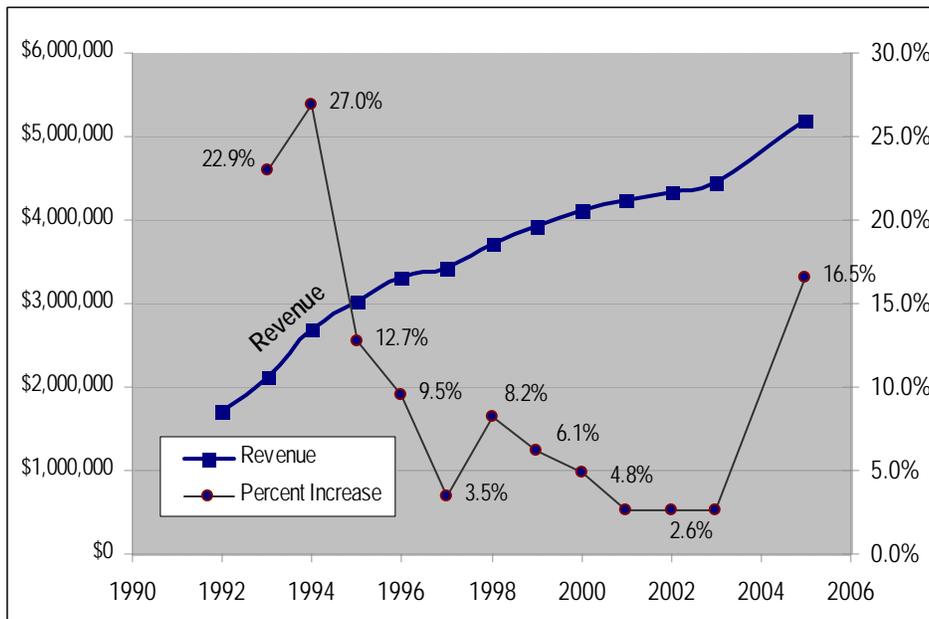
Since the Turning Stone Resort & Casino opened in 1993, traffic flow at Exit 33 along the New York State Thruway has increased over 160 percent. By 2005, average daily traffic leaving Exit 33 increased to more than 7,000 vehicles. The largest yearly increase in traffic flow, 23.5 percent, occurred in 1993, the Casino's opening year. Annual traffic flow continues to increase at rates between 3 and 4 percent each year.

**Figure 3.7-19**  
**Exit 33 Traffic Analysis:**  
**Yearly Entry and Exit Traffic Totals, Percent Increase in Traffic, 1992 - 2005**

**Traffic Volumes**



**Revenues**



In the thirteen year span since the casino opened, more than \$25.7 million in tolls have been paid by vehicles passing through Exit 33. Increased traffic at Exit 33 has generated substantial additional revenues for the New York State Thruway Authority.

Between 1992 and 1993, the year the Turning Stone Resort & Casino opened, toll revenue at Exit 33 jumped by about 19 percent. During the casino's first full year in business (between 1993 and 1994), toll revenues collected at Exit 33 increased by an additional 21.2 percent. Since 1992, traffic exiting at Exit 33 has produced over \$46.2 million in revenue, an overall increase of approximately 200 percent. Figure 3.7-19 shows how traffic and revenue at Exit 33 continues to increase each year. In 2005, the New York State Thruway raised toll fares for the first time since 1987. Given that that overall percent increase of traffic flow was smaller than it had been in previous years, the sizable percent increase in revenue can be largely attributed to this change in toll pricing. No data is currently available for 2004 Traffic Totals and Revenues.

### **3.7.7.3 Local Governments**

Over the last 15 years the Nation has reacquired lands that were historically part of the Oneida homeland. Before the U.S. Supreme Court City of Sherrill vs. Nation decision in March 2005, the Nation did not pay local property taxes on the land it reacquired. Instead, the Nation chose to make grants to localities to acknowledge its use of municipal services provided by local governments attributable to these land purchases. The Nation has also entered into municipal service agreements with various local governments to ensure that fair payment would be made for essential services and contributed to the development of new infrastructure. In addition to describing the ways in which the Nation has shared its resources with local communities in recent years, this section also lists some of the indirect ways through which the Nation generates revenues for the local governments.

#### ***Silver Covenant Chain of Friendship Grants***

The Silver Covenant Chain of Friendship Grants ("Silver Covenant Grant") is a cultural representation of the bonds of friendship the Oneidas forged with the American Colonists, as they fought side by side during the Revolutionary War. In 1996, the Nation instituted the Silver Covenant Grant Program to provide funds to local school districts. The Program was expanded in 1998 to include municipalities. The Town of Verona, the Villages of Canastota and Chittenango, and the City of Oneida received Silver Covenant Grant distributions.

From 1996-2005, the Nation made voluntary Silver Covenant Grant payments of \$7.7 million to local governments (see Table 3.7-94). Grants were calculated by multiplying the assessed value of Nation-owned land at the time of reacquisition by a rate adjusted yearly based on the Central New York Consumer Price Index. In FY 2005 the rate was 3.72 percent for school districts and 1.49 percent for municipalities. Frequently the amount paid to school districts through Silver Covenant Grants has been greater than the amount

that would have been paid if the land were not of sovereign status. See Section 3.7.7.3 for further examination of the grant amounts. The cash grants help school districts and other local governments pay for salaries, equipment, programs and services. Table 3.7-95 highlights major outlays made by the Nation to schools and municipalities.

Local governments did not credit these payments against tax bills and sought to foreclose on these lands after the Supreme Court's decision in the City of Sherrill in March 2005. The Nation ceased their cash payments in the fall of 2005.

***Nation Payments Credited Against Property Taxes Claimed***

The Nation has made certain payments that have been credited against taxes, interest and penalties claimed by certain local governments.

In mid-2005, the Nation paid Oneida County \$650,000, an amount equal to outstanding tax bills on 59 Nation-owned properties.

Pursuant to an October 4, 2005 agreement with the City of Sherrill, the Nation paid the City of Sherrill approximately \$60,000. The City waived any further demands as to principal, penalties or interest with respect to previous property tax bills and considered all previous tax bills fully paid. The City also removed any tax liens on the Nation's lands. The Nation made an additional payment of \$9,315 to the City of Sherrill in 2006, that was not part of this agreement and that was credited to its 2006-2007 tax bill.

Pursuant to a March 15, 2006 agreement with the City of Oneida, the Nation paid the City of Oneida approximately \$5.1 million. The City waived any further demands as to principal, penalties or interest with respect to previous property tax bills and considered all previous tax bills fully paid. The City also removed any tax liens on the Nation's lands.

As for future payments to the City of Sherrill and the City of Oneida, the Nation has agreed to make payments equal to or exceeding the amount shown on each city's tax bills until such time as land is taken into trust by the federal government. Upon these payments, each City has agreed to waive any demand for further payment as to the property tax bill to which the Nation's payment relates.

For the 2005-2006 fiscal year, the Nation paid the local school districts a total of \$1.2 million, an amount credited against claimed property taxes.

***Municipal Service Agreements***

The Nation recognizes that it uses many of the municipal services of the towns in which it owns property. The Nation and municipalities have signed Municipal Service Agreements in order to provide a mechanism by which local governments can be reimbursed for the Nation's use of municipal services. In these agreements, the Nation agrees to pay for

services such as water, sewer, and fire protection. In addition to the municipal service agreements, the Nation used to have deputization agreements with the Oneida and Madison County Sheriffs. The Nation contributed a total of \$11.4 million to these service agreements. Additionally, the Nation paid a total of \$3.2 million to local governments for water, sewer and utilities. A more detailed description of the various agreements follows in Table 3.7-96.

**Table 3.7-94**  
**Silver Covenant Payments by the Nation to Study Area School Districts (in \$000s)**  
**1996-2005**

Local Government	County	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	Total
School Districts												
Canastota	Madison	\$6	\$21	\$35	\$78	\$111	\$126	\$131	\$142	\$47	\$68	\$864
Cazenovia	Madison			4	2	2	2	2	2	2	1	15
Madison	Madison				5	10	11	13	14	15	8	76
Morrisville	Madison					3	3	3	3	3	2	16
Oneida	Madison	16	19	35	74	95	155	192	188	201	107	1,082
Stockbridge	Madison	3	5	14	63	109	123	125	27			469
Vernon-Verona-Sherrill	Oneida	120	165	239	382	445	510	603	591	624	297	3,976
<b>Total</b>		<b>145</b>	<b>210</b>	<b>327</b>	<b>603</b>	<b>774</b>	<b>929</b>	<b>1,068</b>	<b>966</b>	<b>993</b>	<b>482</b>	<b>6,499</b>
<b>Other Localities</b>												
City of Oneida	Madison									100		100
Oneida County	Oneida			79	163	45						287
Village of Canastota	Madison							103	15	16	8	142
Town of Verona	Oneida								218	231	121	570
Chittenango	Madison										125	125
<b>Total</b>				<b>79</b>	<b>163</b>	<b>45</b>		<b>103</b>	<b>233</b>	<b>347</b>	<b>254</b>	<b>1,224</b>
<b>Grand Total</b>		<b>\$ 145</b>	<b>\$ 210</b>	<b>\$ 406</b>	<b>\$ 767</b>	<b>\$ 820</b>	<b>\$ 929</b>	<b>\$ 1,172</b>	<b>\$ 1,199</b>	<b>\$ 1,339</b>	<b>\$ 736</b>	<b>\$ 7,723</b>

Source: The Nation

**Table 3.7-95 Silver Covenant Chain of Friendship Grants**

Over the past eight years, the Nation has made Silver Covenant Grants totaling nearly \$8 million. The cash grants assist school districts and local governments to pay for salaries, equipment, programs and services.

**VERNON-VERONA-SHERRILL SCHOOLS** - \$3.98 million since 1996

Vernon-Verona-Sherrill schools have received the largest portion of Silver Covenant funds, because most of the Nation's current land holdings are in that district. The district uses 80 percent of its grants to pay the salaries of 11 full-time teachers and one half-time teacher. The remaining funds cover equipment, staff development and college scholarships.

**ONEIDA CITY SCHOOLS** - \$1.08 million since 1996

The Nation's grants to the Oneida City Schools have contributed to the stabilization of the district's programming costs. Like Vernon-Verona-Sherrill Schools, Oneida uses 80 percent of its grants to pay teacher salaries, with the balance for equipment and various types of instructional support.

**CANASTOTA CENTRAL SCHOOLS** - \$864,000 since 1996

The Canastota School District was able to reduce its tax rate by 4 percent and pay for additional reading and math staff with its Silver Covenant Grant, which offset a loss of over \$500,000 in state aid to the district.

**STOCKBRIDGE VALLEY SCHOOLS** - \$469,000 since 1996

**MADISON CENTRAL SCHOOLS** - \$76,000 since 1999

The Madison Central School District dedicates its Silver Covenant funds to extra programs that cannot be financed through the district's regular operating budget. The grants cover the costs of the art, music and drama departments, plus field trips, classroom supplies, and supplemental instructional materials.

**CAZENOVIA CENTRAL SCHOOLS** - \$15,000 since 1996

For several years, the Cazenovia School District has channeled its Silver Covenant money into its school libraries, buying books that the district otherwise could not afford through its operating budget.

**MORRISVILLE EATON SCHOOLS** - \$16,000 since 2000

The Morrisville Eaton School District has purchased computers and software with its Silver Covenant Grants, essential resources which are not provided through the district's operating budget.

**TOWN OF VERONA** - \$570,000 since 2003

The Town of Verona used its grant to reduce property taxes by 58 percent in 2004 by direct application of the grants. Funding to date was used for infrastructure improvements, such as the installation of an energy-saving heating system in the Town Building, as well as the purchase of two dump trucks and snow plow equipment that would not have been possible without the grants without raising taxes.

**VILLAGE OF CANASTOTA** - \$142,000 since 2002

The Village of Canastota joined the Silver Covenant Program in 2002, receiving a one-time grant of \$100,000 and annual payments of about \$13,000. The village put this money into its general fund to help offset the costs of equipment purchases, such as a new snowplow, as well as improvements to the municipal pool, recreation fields and other facilities.

**CITY OF ONEIDA** - \$100,000 since 2004

In 2004, the Nation presented a one-time gift to the City of Oneida in recognition of the government-to-government relationship between the two entities. Oneida purchased hand pump equipment and made roof repairs for the fire department training building that would otherwise have had to be drawn from City revenues.

**COUNTY OF ONEIDA** - \$287,000 since 1998

**VILLAGE OF CHITTENANGO** -- In July 2005, the Nation gave \$125,000 in the Village of Chittenango to pay for downtown street lights and their installation. This was a much needed boost to the downtown improvement and beautification project.

Source: The Nation, 2005, Unpublished.

Water and Sewer Agreements. The Nation has six water and/or sewer agreements with various municipalities. There are two with the Village of Canastota, three with the City of Oneida, and one with the Town of Verona:

- Canastota and the Nation signed two sewer agreements, one to connect a SavOn gas station and convenience store to the sewer system and another to connect other properties to the sewer system. The Nation paid a one time fee of \$1200 to connect the SavOn gas station and convenience store. The SavOn gas station and convenience store and other Nation properties pay an agreed upon amount for the services received. In the case of residential uses, Nation members pay the same user fees as those who reside outside the village pay.
- In 1993, the Nation paid for and constructed the extension of a sewer line in the City of Oneida to service its properties on Route 46. Additionally, in 2004, the Nation and The City of Oneida agreed to construct, maintain, and operate a water distribution system to provide water to Nation members living in housing provided by the Oneida Nation Housing Authority (OINHA). The Nation retained full title of the facilities, but agreed to lease the facilities to the City of Oneida to maintain and operate. The City has the right to charge OINHA users the same rate it charges other users. The third water agreement that the Nation and the City of Oneida negotiated concerns reclaimed water. The Nation constructed a pipeline to deliver reclaimed water to maintain its golf courses and reimburses the City for services. However, it does not pay for the reclaimed water.
- The Nation signed a water and sewer agreement with the Town of Verona in 1995, which was updated in 1996. The estimated cost of the additional facilities was \$7 million. After the completion of construction, the Nation gave the facilities to the town, which could, in turn, charge users.

**Table 3.7-96  
Nation Municipal Service Agreements**

Date	Local Government	Name	Amount	Purpose	Key Terms
Jan-94	Oneida County	Police Deputization	-	Allowed Nation Police to make arrests of non-Indian subjects on Nation land and use the State court system for prosecution.	Agreement was cancelled by local government. 2000
Oct-94	Madison County	Police Deputization	-	Allowed Nation Police to make arrests of non-Indian subjects on Nation land and use the State court system for prosecution.	Agreement was cancelled by local government. 2000
18-Aug-98	Canastota	SavOn Sewer	\$1,200	To connect SavOn properties to the Canastota sewer system.	One time back charge of \$1,200. Transportation costs of industries will be included in the "user charges," which the Nation will pay. Transportation costs of domestic/commercial properties are 10% of domestic/commercial "user charges" and "capital recover charges."
14-Mar-02	Canastota	Sewer Use Agreement	\$61,747	To allow the use of the Village's sewer system and Wastewater Treatment Facility.	The Village will charge and bill the Nation in the same manner it does to sewer users outside of the village. The agreement applies to all Nation land, except for the SavOn Gas Station and Convenience Store on Route 13.
14-Mar-02	Canastota	Fire Protection Service Agreement	\$106,903	To obtain fire protection services for Nation properties within the village boundaries	The Nation will pay an amount equal to \$0.08/square foot of all buildings and structures per year. Square footage is calculated on the basis of all floors for commercial properties and ground floors for residential properties. Annual payments will be recalculated on the anniversary of the agreement. Annual payments will increase according to the local CPI. The Nation will allow the fire department to enter Nation lands to conduct courtesy fire inspections.

Date	Local Government	Name	Amount	Purpose	Key Terms
6-Aug-93	City of Oneida	Intercommunity Sewer Agreement	\$238,706	To have the benefits of a safe and sanitary sewer system to service Nation territory located on Route 46 in the city, as well as to service other properties owned by the Nation at the intersection of Route 46 and Union Street.	<p>The Nation will use money from an Indian Health Services grant to fund, in part, the construction of a sewer extension line to join the existing City sewer system.</p> <p>The Nation will lease the Nation Sewer line to the City and the City shall have control over and responsibility for the operation and maintenance of the line.</p> <p>The Nation shall control every aspect of construction, which will be in compliance with Federal, State, and local laws, ordinances, and regulations.</p> <p>Both parties agree that the new sewer line will generate and add to the City sewer system 54,000 gallons/day.</p> <p>The entire cost of construction will be borne by the Nation.</p> <p>The City will be responsible for maintenance.</p>
10-Mar-98	City of Oneida	Reclaimed Water Agreement	\$2,531,897	To use reclaimed water from the Waste Water Treatment Plant (WWTP) of the City for the irrigation of grass at a golf course of the Nation to be off Patrick Road, Town of Verona, New York, and for other potential future uses.	<p>The Nation will construct and own certain pipeline facilities to deliver reclaimed waters to the Lands from the City WWTP.</p> <p>The expected load is 1.75 million gallons/day.</p> <p>The City will seek a permit modification to allow for wastewater to be used for irrigation of a golf course.</p> <p>The City shall provide certain services, for which the Nation will reimburse the City.</p> <p>The City shall undertake all routine, ordinary, and customary repairs.</p> <p>The Nation will not pay for the reclaimed water and will have first priority on all reclaimed water up to 1.75 million gallons/day.</p>

Date	Local Government	Name	Amount	Purpose	Key Terms
27-Jul-04	City of Oneida	Lease Agreement	\$756,636	The City will lease, maintain, repair and operate water mains, pipes, valves, hydrants, distribution mains, and appurtenances used in the sale and distribution of water to consumers residing on OINHA (Oneida Nation Housing Authority) properties located in The City of Oneida. The City will supply water and water service directly to the residents.	<p>OINHA and the City agree to cooperate in the construction, maintenance and operation of the Facilities.</p> <p>Legal title of the Facilities shall be and remain in OINHA's name.</p> <p>Inasmuch as OINHA does not have the capacity to operate and maintain the water supply system, OINHA shall lease the Facilities to the City.</p> <p>OINHA shall have complete control over every facet of the construction of the Facilities, which shall be in accordance with the standards set forth in Federal, State, and City laws, ordinances and regulations.</p> <p>The City agrees to operate, maintain and repair, at its own cost, the facilities and to provide water and water service to the end users of the facilities.</p> <p>The City shall charge and collect from the retail users of the facilities the same rates and charges for water service that the city presently charges to and collects from users of the City Water System.</p> <p>The City shall be compensated for its services and reimbursed for its costs solely from the receipt of the usage fees that the city shall charge and collect.</p> <p>OINHA shall pay to the City a charge for the maintenance and inspection of hydrants on the property.</p> <p>This was fully funded by an Indian Health Services grant.</p>
Mar-99	City of Sherrill	Sanitation Facilities for Marble Hill Homes	\$430,337	To obtain sanitation facilities for Nation members residing in the Marble Hill District Area.	<p>The Nation will ensure and provide for water and sewer lines to be extended to appoint of five feet outside homes approved for service.</p> <p>The Nation used its own funds (\$115,070) and funds from Indian Health Services (\$315,266).</p>
Apr-93	Verona	Addition to Town Hall	\$300,000	A gift to the town of Verona to build an addition to the Town Hall.	

Date	Local Government	Name	Amount	Purpose	Key Terms
30-May-95	Verona	Water and Sewer System	\$6,840,545	To make a gift to the Town, which the Town shall use to construct the water and sewer system	<p>The Town will establish water and sewer districts and provide the administrative mechanisms that will enable the Districts to own, operate and maintain the water and sewer systems.</p> <p>The Nation agrees that, upon the Town's receipt of the necessary approvals and permits required for the construction of the water and sewer systems and the execution of the agreements between the Town and the City of Oneida in a form satisfactory to the Nation, the Nation shall use its resources to construct, at a cost currently estimated to be approximately \$7 million, the water and sewer system facilities identified in the January 1995 report entitled "Route 365 Corridor Water and Sewer Facilities." Upon the completion of the facility construction, the Nation shall gift the facilities to the Districts. The Town agrees to accept the gift.</p> <p>The Nation agrees to pay a reasonable fee, which may be modified from time to time as determined by the parties, for the Nation's use of the water and sewer systems. The fee shall be based upon the per diem volume of water used by the Nation's facilities that are connected to the water and sewer systems multiplied by the wholesale rate.</p>
25-Jan-05	Verona	Fire Protection Service Agreement	<p>For Fire Protection: FY2005 - \$75,000 FY2006 to date - \$50,000</p> <p>For Training: FY2005 - \$15,857 FY2006 to date - \$12,539</p>	To provide fire protection and rescue services to the Nation's commercial and residential properties on sovereign Nation land in Verona, New York, and within Verona Fire District No.3, including, without limitation, all structures located at the Turning Stone Resort & Casino Enterprise, the Inn at Turning Stone, and the Villages at Turning Stone.	<p>The terms of the agreement are for one year, February 1, 2005, to January 31, 2006.</p> <p>The Nation shall pay the Fire Protection Company the \$100,000 in quarterly installments.</p> <p>The Nation and the Fire Protection Company agree to develop a Critical Incident Training Program, in which each firefighter employed by the Fire Protection Company shall be required to attend. The Program shall include, but not be limited to, a layout of the structures located on the grounds of the Enterprise and the means by which an emergency plan shall be implemented.</p> <p>This is funded by a grant from the BIA</p>

Source: The Nation

*Fire Protection Agreement.* The Nation has signed fire protection agreements with Verona and Canastota. Both agreements secure fire protection of Nation properties in the event of an emergency. In both cases, the Nation has agreed to allow the fire department onto its properties for inspections.

- The Verona Fire District encompasses approximately 27 square miles of the Town of Verona including the hamlets of Verona and Sconodoo, a ten-mile section of the New York State Thruway, Interstate Route 365, State Route 31 and several major Nation enterprises. In 2004, the Department included 60 trained and qualified personnel including 24 Emergency Medical Service (EMS) personnel. Nation enterprises protected by the Fire Department include the Turning Stone Resort & Casino, the Inn at Turning Stone, The Turning Stone Convention Center, the Lodge Hotel, the Turning Stone Resort & Casino Parking Garage, the Turning Stone Resort & Casino Tower Hotel, Sav-On Gas, Sav-On Diesel, Sav-On Car Care, the Turning Stone RV Park, the Patrick Road Maintenance Facility, Shenendoah Clubhouse and three of the Nation's Golf course. The Fire Department also provides fire protection and rescue for homes, barns, and storage buildings utilized by the Nation's Housing Authority, Construction Division and Agricultural Division.

The Verona Fire Department, in conjunction with the Nation's staff, have trained at the casino on numerous occasions to become familiar with the layout and operations. The Verona Fire District/Verona Fire Department has prepared Annual Reports to the Nation outlining the extent of their services and activities with the Nation addressing such topics as: personnel and organization; training and operations at Turning Stone Resort & Casino related to fire and emergency medical services; equipment and apparatus; incident responses and call volumes; significant incidents; and needs for new equipment. The Annual Report provides substantial detail, enabling the Nation and Verona to identify key issues and concerns. The report can be seen as a model for the type of detail needed to support communications relevant to monitoring future service agreements.

The Nation has paid the Verona Fire Department about \$653,000 since 1993 for fire protection, emergency rescue, and first aid services on Nation land located within the Verona Fire District (see Table 3.7-97). In 1993, the Nation and the Verona Fire Department negotiated a \$10,000 contract for fire protection services associated with the Casino. The contract was renegotiated in 1994 and 1995 for an annual value of \$18,000. In 1996 the Nation and the Verona Fire Department agreed to a formula-based method for calculating the contract value that consisted of the payment of \$0.077709 per square foot of built space, which would be annually adjusted for inflation based on the CPI. The agreement was renewed for 8 years, with an annual contract value of \$92,623 based on 1,012,054 square feet of space in 2003 (value derived from \$0.08 per square foot with a CPI adjustment of 1.114).

**Table 3.7-97  
Nation Payments to Verona Fire District  
1993-2004**

Year of Contract	Payments
<b>Negotiated Value</b>	
1993	\$10,000
1994	18,000
1995	18,000
<b>Formula-based</b>	
1996	28,000
1997	28,000
1998	57,112
1999	63,594
2000	71,028
2001	75,818
2002	90,803
2003	92,623
<b>Negotiated Value</b>	
2004	100,000
<b>Total</b>	<b>\$652,978</b>

Source: Verona Fire District.

The Verona Fire District and the Nation negotiated in the Fall and Winter of 2004 regarding the appropriate criteria for cost determination as well as the cost of an annual fire protection agreement addressing the capital and operational needs of the Verona Fire District. The Verona Fire District notes that during this period it advised the Nation that the square foot of the Nation's property within the Verona Fire District was now estimated to approach 3 million square feet with the imminent completion of additional structures (e.g., parking garage, Tower Hotel, the Lodge Hotel, Co-Gen facility, Event Center, and several casino expansions) which would have resulted in a \$240,000 annual agreement amount, utilizing the prior method for cost determination. Additionally, according to the Verona Fire District, the number of calls associated with the Nation properties and with motor vehicle accidents on surrounding roads had nearly doubled between 1999 and 2004 to almost 400 annually, including 72 calls for service on Nation land in 2003. The 72 Nation-related calls included 1 structure fire, 2 car fires, 5 hazardous conditions (such as fuel spills) and 17 Emergency Medical Service (EMS) related calls (Verona Fire District/Verona Fire Department, 2004). There were 20 calls for motor vehicle accidents and 28 Turning Stone Resort & Casino alarm calls including fires and false alarms. The reported number of calls (73) in conjunction with Nation owned facilities in 2003 was up sharply from 2000 (17 calls), 2001 (33 calls) and 2002 (40 calls). The reported Nation facility calls accounted for under 20 percent of the calls for assistance in 2003 (73 out of 430 calls).

According to the Verona Fire District, during these negotiations they notified the Nation that they intended to 1) utilize the increased funding to acquire a needed ladder truck for protection; and 2) convert the fire department to a combination-type (i.e., paid and volunteer staff) due to the increase in call volumes.

A new Agreement between the Nation and the Verona Fire Department was effectuated in the winter of 2004. The new Agreement cancelled the prior square footage method for cost determination, in preference for a fixed amount of \$100,000 annually without adjustments for square footage. The Verona Fire Department accepted this agreement, albeit with reservations that they were under-compensated in relationship to other resort complexes elsewhere in the country, alleging that the amount was inadequate to address their ladder truck or staffing needs.

In response to the Nation's Trust Application, the Verona Fire District has indicated in a letter from Phil DuChene, Secretary/Treasurer of Verona Fire District to Deputy Supervisor, Town of Verona dated October 2, 2005, that it seeks a denial of the Trust Application or alternatively a compensation clause that would involve federal compensation or Nation compensation at the previously negotiated rate of \$0.08 per SF (all floors commercial and residential) with CPI adjustments. Alternatively, the Fire District would accept an assessed value basis identical to the rate in the remainder of the District.

- In 2004, the Verona Fire Department developed a Fire/Rescue Mutual Aid Plan including more than 100 firemen from the Verona Fire Department and from other departments in the event of a large-scale fire, rescue or EMS event at the Turning Stone Resort & Casino. As part of this plan equipment and/or manpower will be contributed by the Verona, Rome, Oneida, Sherrill, Oneida Castle, Durhamville, New London, Vernon, Vernon Center Fire Departments, the Vineall Ambulance Service and the Oneida County Fire and Oneida County EMS coordinators. The Nation received a grant from the BIA to help pay for the costs of a fire safety and training program for fire departments that are part of the Turning Stone Fire/Rescue Mutual Aid Plan.
- In Canastota, the Nation agreed to pay \$0.08 a square foot a year for all of its buildings and structures. Square footage is based on the ground floor of residential and all floors for commercial buildings. Under the agreement, the annual fee is adjusted to the Consumer Price Index.

*Police Agreements* The Nation Police Department enacted deputization agreements with the Sheriff of Oneida County and with the Sheriff of Madison County. The agreements, which were enacted in January 1994 and October 1994, respectively, allowed Nation police to make arrests of non-Indian subjects on Nation land and to use the state court system for prosecution. The agreements were cancelled by the respective local governments in April 2000.

### **Infrastructure Development**

The Nation has provided more than \$9 million in the last 10 years to improve and develop infrastructure systems belonging to surrounding local governments and benefiting the local residents. These projects support the Nation Government and Enterprises, but also provide critical services to neighboring communities.

- *Verona Water Line Expansion and Water Tower.* The Nation paid for a \$2.6 million water line expansion. It also paid for a \$1 million water tower in 1997, which is part of the Water and Sewer Agreement with the Town of Verona and reported above. After construction, both were provided as a gift to the Town of Verona. The Nation is now a customer of the town for water and sewer services, and Verona earns regular revenues from these sales.
- *Feasibility Studies.* The Nation has paid for feasibility studies for the Town of Verona's infrastructure needs for several years, most recently assisting with about \$100,000 in costs.
- *City of Oneida Sewer System Improvements.* The Nation paid \$5 million for sewer system improvements for the City of Oneida that it could not otherwise afford without raising taxes.
- *Commitment for Water System Improvements.* The Nation spent \$1.5 million in an effort to develop a new water system in Oneida County that would serve several towns and add 13 miles of water line. The system improvements would address the Nation's water needs and also generate revenues for the Town of Verona, its partner. Three other towns would also have had the opportunity to tap the line for development and future revenues. However, the development of the system – a \$10 - \$11 million investment commitment provided by the Nation – has been delayed due to state processes and procedures.

### **Property Tax Payments by Nation Employees**

A total of 3,641 Nation employees, 87 percent of total Nation employment, live in Madison County and Oneida County. A total of 650 employees live in ZIP code 13421, which roughly corresponds to the City of Oneida and 324 live in ZIP code 13032, which includes the Village of Canastota, the Town of Lenox, and the majority of the Town of Lincoln. (See Table 3.7-98).

**Table 3.7-98  
Residential and Work Location of Nation Employees, 2005**

Local Government	ZIP Code	Employees by Place of Residence
<b>Madison County</b>		
Canastota/Lenox/Lincoln	13032	324
Cazenovia/Fenner	13035	14
Stockbridge	13409	94
Sullivan	13037	80
Oneida	13421	650
Municipalities listed above		1,162
<b>Total Madison County</b>		<b>1,227</b>
<b>Oneida County</b>		
Sylvan Beach	13157	49
Sherrill	13461	151
Vernon	13476	152
Vernon Center	13477	27
Verona	13478	172
Durhamville	13054	80
Augusta	13425	16
Total Municipalities listed above		647
<b>Total Oneida County</b>		<b>2,414</b>
<b>Madison and Oneida County</b>		<b>3,641</b>

Notes: Residential location is reported at the ZIP code and county level; At the ZIP code level, residential location was only available for 3,641 of the 4,001 Nation employees who live in Madison and Oneida Counties  
Source: Nation

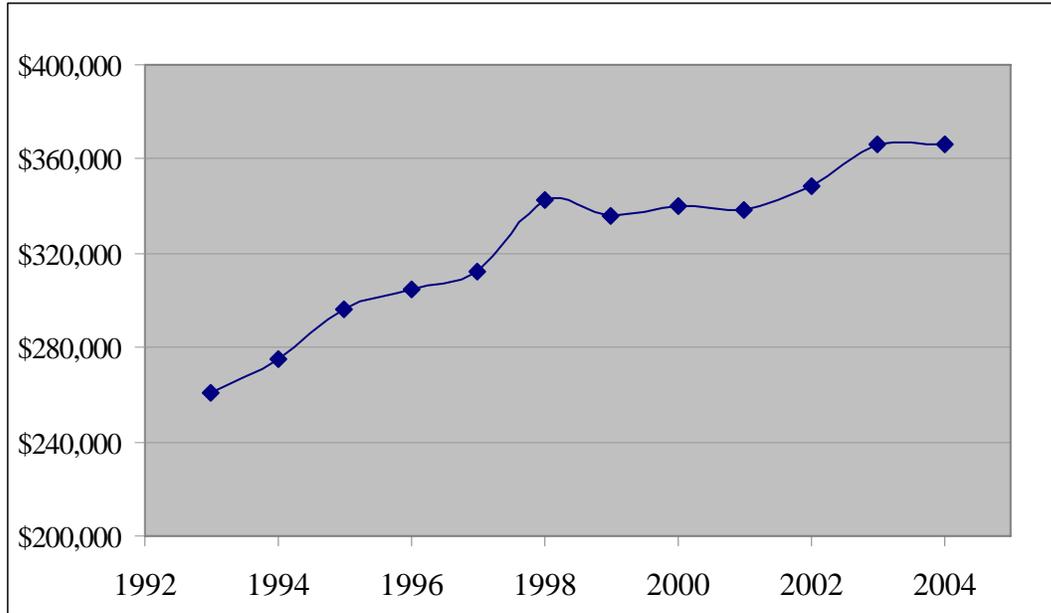
Nation employees who own or rent homes in these communities within Madison or Oneida Counties directly, or indirectly, pay property taxes to the counties, municipalities and school districts. Annual employee property tax payments to Madison and Oneida Counties and to municipalities and school districts where the Nation owns land are estimated at more than \$5 million.

**County Hotel Receipts/Occupancy Tax Revenues**

Oneida County hotel occupancy tax revenue data over the 12-year period 1992-2004 indicates that these revenues have increased alongside the growth in the Turning Stone Resort & Casino operations, suggesting that as the facility expanded its range of offerings to attract visitors, there have been “spill over” business opportunities for local businesses and the government to capture (Figure 3.7-20).

Occupancy tax revenues continued to grow after the Nation started providing on-site lodging. The Nation’s first on-site lodging facility was The Hotel, which opened in September , 1997.

**Figure 3.7-20**  
**Oneida County Visitor Hotel Occupancy Tax, 1992-2004**



Source: Oneida County Convention and Visitors Bureau, 2005.

**Other Indirectly Generated Local Tax Revenues**

As shown above in Table 3.7-98, a total of 3,641 employees live in Madison and Oneida Counties. Employees spend part of their earnings at local businesses in the counties and municipalities where they live and work and pay local sales taxes. The vendors from which Nation employees buy goods and services use part of their revenues to generate more local economic activity, which in turn creates more local tax revenues.

The expenditures made by Nation Enterprises, Nation Government, and its employees stimulate additional economic activity and tax revenues through the multiplier effect. In 2005 the Nation spent a total of \$22 million at businesses located in Madison and Oneida Counties, which in turn used part of their revenues for employee compensation payments and to buy goods and services from other local businesses, generating more local economic activity and tax revenues.

Including the multiplier effect, spending by the Nation and its employees generated an estimated \$580,000 in sales tax revenues for Madison and Oneida Counties and the Study Area municipalities.

**Summary of the Nation's Direct Payments**

As discussed above, the Nation has made a total \$7.7 million of Silver Covenant payments to local governments, has reimbursed several municipalities for the use of their services through agreements for a total of \$11.4 million, has paid an additional \$3.2 million to local governments for utilities, water and sewer, and has contributed more than \$9 million in the last 10 years to local government infrastructure projects. The Nation paid a total of \$1.2 million in 2005-2006 to the local school districts and to the City of Sherrill in the Fall of 2005. In March 2006 the Nation paid \$5.1 million to the City of Oneida, which exceeds the total principal amount in property taxes billed by the City to the Nation. In total, the Nation directly paid \$38.5 million to the local governments in Madison and Oneida Counties (see Table 3.7-99). Local governments credited \$6.9 million against claimed property taxes. (See Section 3.7.9.4.)

**3.7.7.4 Burden Reduction through Drive for Self-Sufficiency**

Because the Nation has charted a path towards greater self-sufficiency and being a responsible partner with local governments, the Nation has assumed various governmental, public safety and social welfare responsibilities, making expenditures otherwise borne by the federal, state and local governments. In so doing, the Nation has assisted in reducing the fiscal burden placed on those governments. For example, the Nation's ability to provide medical insurance, tuition assistance and housing subsidies for all of its members means that those individuals are making relatively fewer demands on the social services provided by State and local governments.

**Table 3.7-99  
Direct Payments to Local Governments (in \$000s) ,1995-2005**

	Silver Covenant Payments	Municipal Service Agreements	Other Utility/ Water/Sewer Payments	Infrastructure Payments	Other Payments	Total Payments
<b>Counties</b>						
Madison County						
Oneida County	287			1500	650	2,437
<b>Municipalities</b>						
City of Oneida	100	3,527	460	4,977	5,089	14,153
City of Sherrill		430	267		6	766
Town of Augusta						
Town of Cazenovia						
Town of Fenner						
Town of Lenox						
Town of Lincoln						
Town of Smithfield						
Town of Stockbridge						
Town of Sullivan						
Town of Vernon			6			6
Town of Verona	570	7,294	2447	2,700		13,011
Village of Canastota	142	169	16			327
Village of Chittenango	125					125
Village of Sylvan Beach						
Village of Vernon			28			28
<b>School Districts</b>						
V.V.S	3,976				298.4	4,274
Stockbridge	469				137.1	606
Oneida	1,082				510	1,592
Canastota	864				176.5	1,041
Madison	76				11.1	87
Morrisville	16				2.1	18
Cazenovia	15				0	15
<b>Total</b>	<b>7,722</b>	<b>11,421</b>	<b>3,223</b>	<b>9,177</b>	<b>6,943</b>	<b>38,486</b>

### 3.7.8 Other Regional and Community Contributions

#### 3.7.8.1 Oneida Nation Foundation

The prosperity created by its enterprises enables the Nation to support national and local charities and philanthropic initiatives throughout the United States and Indian Country. The Oneida Nation Foundation was formed to build upon the Oneida people's long tradition of sharing its resources with others to meet current needs and plan for the generations to come. The Foundation has maintained a focus on health, education, youth programs and environmental preservation. The Nation's annual giving program makes special large gifts as well as smaller community gifts to a wide variety of organizations each year. The Foundation makes monetary contributions to government and non-profit organizations located in the Central New York region, the state and the U.S. In 2004, the Oneida Nation Foundation supported nearly 80 organizations through financial awards, in-kind services, and equipment. Local organizations that have received repeated contributions from the Nation include the Great Swamp Conservancy, Inc. in Canastota, the YWCA of the Greater Tri-Valley in the City of Oneida, and Rome Area Chamber of Commerce (see Table 3.7-100 and Table 3.7-101). To date, the Nation has provided New York State organizations with more than \$384,000 in cash.

**Table 3.7-100**  
**National and Regional Philanthropy - Recent Examples**

- **Smithsonian Institution Museum of the American Indian** – The Nation pledged \$10 million to help build the museum and house an exhibit of the Nation's history.
- **Tsunami Relief** – In January 2005, the Nation gave a \$1 million cash gift.
- **Harvard University Law School in American Indian Law** – The Nation contributed \$10 million to endow a chair in American Indian Law.
- **Tri-Valley YMCA**, headquartered in Oneida, benefited from the Nation's donation of all site preparation work – dirt and gravel; earth-moving machines, heavy equipment operation – to assist in a major building expansion. The in-kind gift has been valued at over \$15,500.
- **Children's Museum of History, Science and Technology** in Utica sought to renovate exhibits and build a longhouse at the museum. The Nation donated \$10,000 for "hardware" components and lent staff (e.g., historian, videography and animation) to develop interactive teaching tools and augment displays.

**Table 3.7-101  
Recent Community Grants**

Each year hundreds of requests are granted for charitable contributions, sponsorships, fundraising contests, booster clubs, door prizes, and raffle items in the Central New York region. Over the last year, the Nation provided over \$185,000 in donations to charitable and civic and not-for-profit organizations, including:

AFL-CIO Labor Council  
 Alzheimer's Association of Central New York  
 American Cancer Society  
 ARC Oneida-Lewis Chapter  
 ARC of Onondaga Foundation  
 Boys & Girls Clubs of Syracuse  
 Can-Am Lacrosse Association  
 Canastota Children's Council  
 Central New York Korean School  
 Central Oneida County Volunteer Ambulance Corps  
 Central New York Stamp, Coin & Cover Show  
 Children's Museum of History, Natural History, Science & Technology  
 Cystic Fibrosis Foundation  
 Earlville Food Cupboard  
 Erie Canal School Boat Foundation  
 Faxton-St. Luke's Children's Miracle Network  
 Friends of the ARC Foundation  
 Girls Inc. of the Mohawk Valley  
 Great Swamp Conservancy  
 Herkimer County Community College  
 Hiawatha Seaway Council-Boy Scouts  
 Hospice & Palliative Care  
 Leadership Mohawk Valley  
 Leatherstocking Ballet  
 Madison County Children's Camp  
 Madison County Office for the Aging  
 Make-A-Wish Foundation of Central New York  
 Manlius Pebble Hill School  
 Mohawk Valley Ballet  
 Mohawk Valley Frontiers Club  
 NAACP of Oneida County  
 Narragansett Indian Tribal Youth Program  
 National Multiple Sclerosis Society  
 NYS Coalition for the Aging  
 Oneida City Schools  
 Oneida County Historical Society  
 Oneida Firemen's Benevolent Association  
 Onondaga Community College Foundation  
 Perdido River Farms 4-H Program  
 Post 229 American Legion  
 Present Company Productions  
 Rescue Mission  
 Resource Center for Independent Living  
 Rome Area Chamber of Commerce  
 Rome Police Department  
 Ronald McDonald House of CNY  
 Rotary Club of Rome  
 Solvay Tigers A.C.  
 Special Olympics Onondaga County  
 Stanley Theatre  
 Stevens-Swan Humane Society  
 Sylvan-Verona Beach Resort Association  
 Syracuse Golden Gloves Charities

Syracuse Northeast Community Center  
Utica Curling Club  
Utica Professional Firefighters Charity  
Vera House  
Vietnam Veterans of Central New York  
VietNow of Oneida  
Wanderers Rest Humane Association  
YMCA of the Mohawk Valley  
YWCA of the Tri-Valley Region

Source: Oneida Indian Nation, 2005, Unpublished

### 3.7.8.2 Scholarship Program

In addition to the Scholarship Program for Nation members, the Nation started an ongoing scholarship program in 2003 for local students (who are not Nation members), which distributes \$100,000 each year as 20 one-time grants of \$5,000 to seniors in four high schools in the Vernon-Verona-Sherrill, Canastota, Oneida, and Stockbridge school districts. The grants are designed to give financial assistance to students and their families for higher education. Scholarship recipients are selected based on several criteria, including academic ranking, community and school involvement, special needs, individual hardships, and potential for future success. The criteria mirror the experiences of the Nation – financial struggles, obstacles and hardships that must be overcome and the achievement of success through higher education despite initial disadvantages and difficulties. By June 2005, the Nation had awarded a total of \$300,000 in scholarships to 60 students, promoting educational opportunity for high school seniors in Madison and Oneida Counties. This program was suspended after the *City of Sherrill v. Oneida Nation*, 544 U.S. 197 (2005) Supreme Court ruling.

### 3.7.9 Fiscal Conditions

#### 3.7.9.1 Local Government Revenues

##### ***Madison and Oneida Counties***

Oneida and Madison Counties, like the local municipalities within them, collect revenue from several sources. These sources include taxes, aid from the state and federal governments, intra-governmental aid and interest payments.

In 2003, the latest year for which statewide data are available, Madison and Oneida Counties generated \$347 million in revenues. As can be seen in the Table 3.7-102, the counties receive revenues from a variety of sources with taxes being the single largest revenue category. The counties also receive a large portion of funding from state and federal aid and from other governments, such as town and village payments.

**Table 3.7-102**  
**Total Revenues and Sources of Revenue,**  
**Madison and Oneida County, 2003**

County	Total Revenue	Property Tax	Non-Property Tax	State Aid	Federal Aid	Other Governments	Interest	Other
Madison	\$73,840,419	32.7%	10.9%	17.6%	13.0%	2.8%	0.4%	22.6%
Oneida	\$273,309,591	21.2%	21.2%	19.1%	20.8%	7.1%	0.3%	10.3%

Source: New York State Comptroller's Special Report on Municipal Affairs, 2003; The Louis Berger Group, Inc., 2005.

As shown in Table 3.7-103, Madison County receives an overwhelming majority (71 percent) of its tax-related revenues from property taxes, while Oneida County receives just less than 50 percent of its tax-related revenues from property taxes. In contrast to Madison County, Oneida County depends more heavily on sales taxes. The "Other Tax" category includes payments-in-lieu-of-taxes (PILOTs), which are payments made to compensate a local government for lost revenues, real property transfer tax, hotel occupancy tax, and off-track betting tax.

***Municipalities with Nation Land***

Municipalities collect revenue from the same major sources as the counties, although the amount and share generated from each source differs. The following sections illustrate various revenue sources and amounts for municipalities where the Nation owns land (see Tables 3.7-104 and 3.7-105)

**Table 3.7-103**  
**Total Tax Revenues and Sources of Tax Revenue**  
**Madison and Oneida County, 2003**

County	Total Tax Revenues	Property Taxes and Assessments	Sales Tax	Other Tax
Madison	\$32,216,945	71.2%	24.2%	4.6%
Oneida	\$115,949,137	47.1%	49.2%	3.7%

Source: New York State Comptroller's Special Report on Municipal Affairs, 2003; The Louis Berger Group, Inc., 2005.

**Table 3.7-104**  
**Revenues and Sources of Revenue**  
**Study Area Municipalities with Nation Land, 2003**

	Municipality	Total Revenue	Real Property Taxes	Non-Property Taxes	State Aid	Federal Aid	Other Government	Interest	Other
Madison County	Village of Canastota	\$ 3,456,531	37.1%	15.4%	3.9%	8.9%	3.1%	0.9%	30.7%
	Cazenovia	\$ 1,773,280	60.0%	0.0%	23.9%	2.8%	4.1%	0.8%	8.4%
	Fenner	\$780,424	50.4%	0.0%	16.8%	11.2%	0.0%	0.5%	21.1%
	Lenox	\$1,732,843	59.7%	1.0%	15.8%	0.0%	2.7%	0.9%	19.9%
	Lincoln	\$469,287	69.1%	0.9%	21.5%	1.6%	1.5%	1.0%	4.2%
	Smithfield	\$436,217	75.4%	0.0%	13.1%	2.3%	5.9%	0.4%	2.9%
	Stockbridge	\$692,389	57.8%	0.4%	13.9%	2.8%	5.5%	0.9%	18.8%
	Sullivan	\$4,957,591	63.7%	1.5%	16.9%	0.3%	1.9%	0.9%	14.8%
City of Oneida	\$14,152,753	18.5%	21.3%	15.2%	5.1%	2.8%	1.1%	36.0%	
Oneida County	Village of Sylvan Beach	\$1,475,489	39.0%	18.8%	3.7%	7.7%	0.1%	0.6%	30.0%
	Village of Vernon	\$1,402,730	19.0%	9.7%	2.9%	8.1%	3.4%	0.7%	56.2%
	Augusta	\$777,836	49.3%	28.1%	9.5%	2.9%	7.8%	0.6%	1.8%
	Vernon	\$1,390,202	14.2%	53.5%	17.8%	0.0%	5.9%	1.3%	7.4%
	Verona	\$3,050,125	10.5%	36.1%	8.0%	9.1%	3.6%	0.7%	32.0%
	City of Sherrill	\$4,176,252	22.1%	13.2%	7.6%	0.0%	1.5%	0.5%	55.2%

Source: New York State Comptroller's Special Report on Municipal Affairs, 2003; The Louis Berger Group, Inc., 2005

Municipalities in Madison County rely on real property taxes for the majority of their revenues. The only exception to this is the City of Oneida and the Village of Canastota. However, in Canastota property tax revenues still represent the single largest source of revenue.

In Oneida County, the Village of Vernon and the City of Sherrill both receive the majority of their revenues from other sources. The Town of Vernon generates the majority of its revenues from non-property taxes. Close to half (49.3 percent), of revenues in Augusta come from property taxes.

**Table 3.7-105  
Tax Revenues  
Study Area Municipalities, 2003**

	Municipality	Total Tax Revenues	Property Tax	Sales Tax	Other Taxes
Madison County	Village of Canastota	\$1,816,044	69.68%	23.38%	6.94%
	Cazenovia	\$1,063,551	98.77%	0.00%	1.23%
	Fenner	\$393,262	99.20%	0.00%	0.80%
	Lenox	\$1,051,324	97.94%	0.00%	2.06%
	Lincoln	\$328,512	96.37%	0.00%	3.63%
	Smithfield	\$328,936	99.10%	0.00%	0.90%
	Stockbridge	\$403,079	97.62%	0.00%	2.38%
	Sullivan	\$3,235,689	97.05%	0.00%	2.95%
	City of Oneida	\$5,634,441	43.59%	49.66%	6.75%
Oneida County	Village of Sylvan Beach	\$852,721	66.58%	29.06%	4.36%
	Village of Vernon	\$402,146	65.28%	31.91%	2.81%
	Augusta	\$601,830	63.63%	35.79%	0.57%
	Vernon	\$941,068	19.60%	77.44%	2.97%
	Verona	\$1,420,980	22.6%	74.9%	2.5%
	City of Sherrill	\$1,473,204	52.56%	35.11%	12.33%

Source: New York State Comptroller's Special Report on Municipal Affairs, 2003; The Louis Berger Group, Inc., 2005

A closer look at tax revenue data reveals stark differences between municipalities in Madison and Oneida Counties with regard to the source of tax revenues. None of the towns in Madison County receive tax revenues from sales taxes or other non-property taxes; property taxes are almost exclusively their sole source of tax revenue. Only the villages and the cities in Madison County collect sales tax. Sales tax and other non-property tax revenues constitute almost half of all the City of Oneida tax revenues and one-fifth of Canastota's tax revenue. In contrast, towns, as well as villages and cities, in Oneida County collect a sales tax that contributes a significant portion of overall tax revenues. Of particular interest are the towns of Verona and Vernon. Three-quarters of their tax revenues in 2003 are derived from sales taxes.

**School Districts with Nation Land**

In the seven school districts where the Nation owns land per pupil revenues in 2003 range from \$6,600 in Madison school district to more than \$14,200 in the Stockbridge and Morrisville school districts (see Table 3.7-106). State aid is the largest revenue source for all school district except for the Cazenovia school district, which receives most of its revenues from property taxes.

**Table 3.7-106**  
**Sources of Revenue**  
**School Districts with Nation Land, 2003**

School Districts	Revenues per Pupil	Property Tax per Pupil	Non-property tax per Pupil	State Aid per Pupil	Federal Aid per Pupil	Interest on Investment per Pupil	All other Revenues per Pupil
Sherrill	\$11,412	32.0%	1.0%	55.6%	5.3%	0.3%	5.8%
Stockbridge	\$14,270	18.3%	0.0%	68.0%	6.1%	0.1%	7.5%
Oneida	\$11,165	30.7%	0.0%	58.8%	6.3%	0.6%	3.6%
Canastota	\$11,424	39.0%	0.0%	53.4%	5.3%	0.3%	2.0%
Madison	\$6,617	26.8%	0.0%	60.8%	6.1%	1.2%	5.2%
Morrisville	\$14,225	23.6%	0.0%	66.5%	5.6%	1.2%	3.1%
Cazenovia	\$10,746	58.5%	0.1%	34.7%	3.3%	1.0%	2.5%

Source: New York State Comptroller's Special Report on Municipal Affairs, 2003; The Louis Berger Group, Inc., 2005

**Fire Districts with Nation Land**

There are five fire districts that service the Nation lands. Several of the fire districts derive a significant portion of their revenue source from other sources aside from property taxes (see Table 3.7-107). These sources could include payments in lieu of taxes, charges for services outside of the fire district, and other non-tax based sources. For the Verona fire districts this includes the funds received from the Nation under the fire protection service agreement.

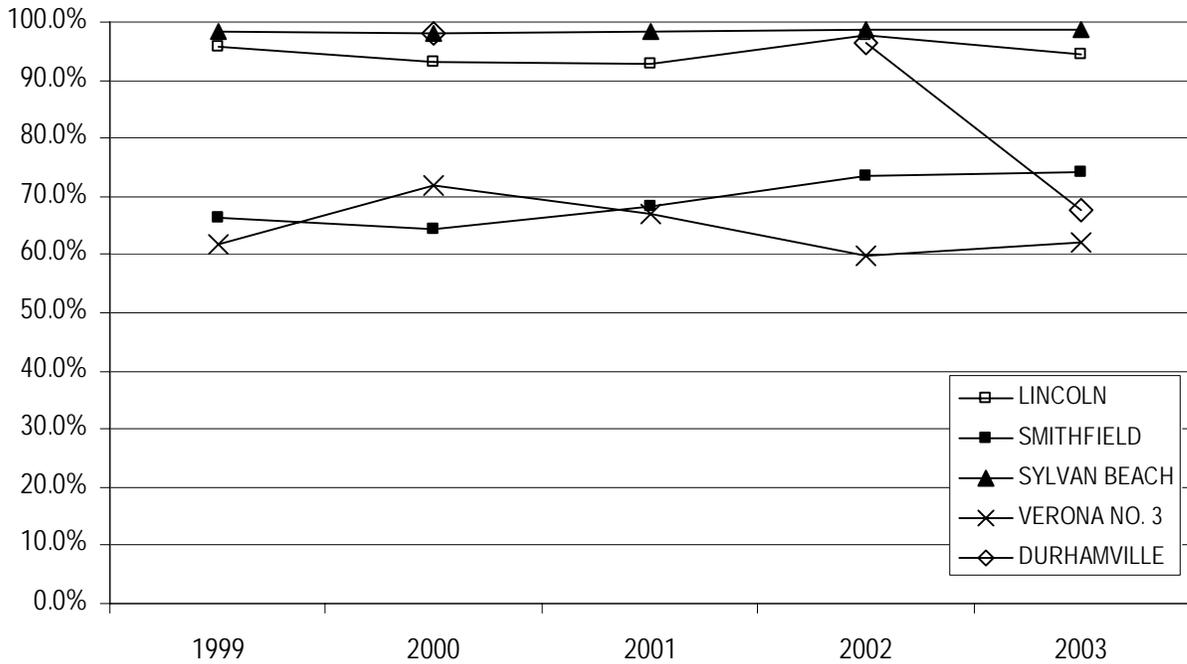
**Table 3.7-107**  
**Fire District Revenues, 2003**

Fire District	Real Property Taxes	Percent of Total Revenues	Other Revenues	Percent of Total Revenues	Total Revenues
Lincoln	\$105,695	94.4%	\$6,268	5.6%	\$111,963
Smithfield	\$41,320	74.1%	\$14,446	25.9%	\$55,766
Sylvan Beach	\$136,000	98.6%	\$2,000	1.4%	\$138,000
Verona No. 3	\$153,000	62.0%	\$93,837	38.0%	\$246,837
Durhamville	\$66,000	67.6%	\$31,673	32.4%	\$97,673

Source: New York State Comptrollers Office

The five-year average of the revenue is shown in Figure 3.7-21. Note that both Smithfield and Verona are significantly below the New York State average.

**Figure 3.7-21  
Percent of Fire District Revenues from Property Taxes**



Source: New York State Comptrollers Office  
Note: Figures from Durhamville were not available for 1999 or 2001.

### 3.7.9.2 County and Local Property Tax Exemptions

In 2003, the latest year for which data are available, Madison and Oneida Counties and their constituent municipalities excluded many tax-exempt properties from their taxable rolls. Villages do not report tax exemptions but are grouped together with the town exemptions. Vienna is included because the Village of Sylvan Beach is in Vienna.

As a matter of law or as a reflection of the policies of its representatives and leaders, local governments regularly deliver local government services to exempted lands. Full or partial tax exemptions are extended by State and local governments for several categories including: residential, New York State, municipal government, federal, private community service organizations, industrial, urban renewal, and agricultural properties. As a result of full or partial tax exemptions, these properties do not contribute property tax payments for public services such as fire protection, police, and transportation projects.

#### **Madison County**

In Madison County, there are a total of 36,052 parcels of land. According to the New York State Office of Real Property Services, 55.9 percent of the parcels are either wholly or partially tax exempt for county, city/town, or school purposes. The 20,138 exempt parcels account for 25,470 exemptions due to the fact that some parcels of land qualify for two or more exemptions. The 25,470 exceptions account for an equalized exempt value

of \$1.4 billion, in other words, \$1.4 billion is not subject to taxation. Madison County has a total equalized tax value of \$3.4 billion; the \$1.4 billion tax exempt properties account for 40.7 percent of the county's total equalized value. Of the wholly or partially exempt tax parcels, 6.3 percent are wholly tax exempt and have a total equalized exempt value of \$660 million.

**Table 3.7-108  
Exemptions by Type, Madison County, 2003**

Exemption Type	Number of Exemptions	Equalized Exempt Value (in \$1,000s)	Percent of All Exemptions	Exempt Value as Percentage of Total Value
Wholly Exempt, Publicly Owned	1,043	405,436	4.1%	11.8%
Wholly Exempt, Privately Owned	563	254,675	2.2%	7.4%
Partially Exempt, Publicly Owned	212	17,406	0.8%	0.5%
Partially Exempt, Privately Owned	23,648	725,708	92.9%	21.1%
Invalidly Coded Exemptions	4	9	0.0%	0.0%
<b>Countywide Exemptions Total</b>	<b>25,470</b>	<b>\$1,403,234</b>	<b>100.0%</b>	<b>40.7%</b>

Source: New York State of Real Property Services.

Almost half, 49.1 percent, of the tax exempt value are residential properties, which include veterans' homes, persons over age 65, clergy homes, and STAR (School Tax Relief Program) exemptions. Additionally, 18.0 percent is for community service organizations, and 14.9 percent constitutes New York State properties.

**Table 3.7-109  
Summary of Tax Exemptions, Madison County, 2003**

Description	Number of Exemptions	Percentage of All Tax Exemptions	Equalized Exempt Value (in \$1,000s)*	Percentage of Total Equalized Tax Exempt Value
Residential Property	21,779	85.5%	688,497	49.1%
Property of New York State Government	385	1.5%	208,861	14.9%
Property of Municipal Governments	637	2.5%	172,425	12.3%
Property of U.S. Governments	17	0.1%	2,568	0.2%
Property of Private Community Service Organizations, Social Organizations, and Professional Societies	554	2.2%	253,276	18.0%
Industrial, Commercial, and Public Service Property	159	0.6%	19,981	1.4%
Urban Renewal Property, Public Housing, and Private Subsidized Housing	17	0.1%	13,243	0.9%
Agricultural and Forest Property	1,918	7.5%	44,369	3.2%
Invalidly Coded Exemptions	4	0.0%	9	0.0%
<b>Totals</b>	<b>25,470</b>	<b>100.0%</b>	<b>\$1,403,234</b>	<b>100.0%</b>

Note: Table includes number of exemptions, not number of exempt tax parcels.

\*Equalized Values in Thousands

Source: New York State Office of Real Property Services

Total tax exempt value ranges from \$22 million in Lincoln to \$212 million in the City of Oneida. None of the Study Area’s municipalities in Madison County have removed the Nation lands from their tax rolls and, therefore, the Nation lands are not included in this analysis of tax exempt properties.

**Table 3.7-110  
Equalized Exempt Value of Properties in  
Study Area Municipalities in Madison County, 2003**

Municipality	Equalized Exempt Value (in \$1,000s)
Cazenovia	\$117,015
Fenner	\$42,009
Lenox	\$148,052
Lincoln	\$22,118
City of Oneida	\$211,960
Smithfield	\$23,789
Stockbridge	\$27,373
Sullivan	\$203,394
<b>TOTAL</b>	<b>\$795,710</b>

Source: New York State Office of Real Property Services

**Oneida County**

There are 104,513 tax parcels with a total equalized value of \$10.7 billion in Oneida County. In Oneida County, there are a combined total of 87,719 tax exemptions for county, town/city and school district purposes with an equalized exempt value totaling more than \$5.6 billion. Whole or partial tax exempt parcels constitute 60.5 percent of all tax parcels in the County and 52.6 percent of the County’s total equalized value. Of the exemptions, 5.3 percent are wholly exempt and have an equalized exempt value of \$3.1 billion.

**Table 3.7-111  
Exemptions by Type, Oneida County, 2003**

Exemption Type	Number of Exemptions	Percentage of All Tax Exemptions	Equalized Exempt Value (in \$1,000s)*	Percentage of Total Equalized Tax Exempt Value
Wholly Exempt, Publicly Owned	2,876	3.3%	2,166,492	20.2%
Wholly Exempt, Privately Owned	1,750	2.0%	915,538	8.5%
Partially Exempt, Publicly Owned	823	0.9%	35,289	0.3%
Partially Exempt, Privately Owned	82,231	93.7%	2,523,837	23.5%
Invalidly Coded Exemptions	39	0.0%	1,690	0.0%
<b>Countywide Exemptions Total</b>	<b>87,719</b>	<b>100.0%</b>	<b>5,642,845</b>	<b>52.6%</b>

Source: New York State Office of Real Property Services.

As with Madison County, close to half (43.1 percent) of the tax exempt value are residential properties. Furthermore, 16.4 percent are New York State properties and another 15.7 percent are community service organizations.

Considering the individual municipalities within Oneida County where the Nation owns land, Verona had the most tax exempt value at \$328 million and Augusta had the least amount at \$29 million in 2003. In 2003, Verona listed five properties owned by the Nation as tax-exempt which constituted \$199 million or 60.7 percent of the total equalized exempt value in Verona. All other municipalities had not removed the Nation lands from their tax rolls and as a result, Nation lands are not included in the reported tax-exempt properties (see Table 3.7-113). In the wake of the United States Supreme Court decision *City of Sherrill v. Oneida Nation* (decided March 29, 2005), Verona placed the five properties on the tax rolls and removed them from tax exempt status.

### 3.7.9.3 Local Tax Burden

There are nine major land use categories of properties included on the tax rolls. They are agricultural, residential, vacant, commercial, recreation and entertainment, community service, public service, and public parks including wild, forested and conservation properties. State law requires the assessment of all property values at a uniform percentage

**Table 3.7-112  
Summary of Tax Exemptions, Oneida County, 2003**

Description	Number of Exemptions	Percentage of Exemptions	Equalized Exempt Value (in \$1,000s)	Percentage of Equalized Exempt Value
Residential Property	80,152	91.4%	2,429,178	43.0%
Property of New York State Government	399	0.5%	926,043	16.4%
Property of Municipal Governments	2,225	2.5%	482,518	8.6%
Property of U.S. Government	47	0.1%	324,108	5.7%
Property of Private Community Service Organizations, Social Organizations, and Professional Societies	1,690	1.9%	883,088	15.6%
Industrial, Commercial, and Public Service Property	348	0.4%	216,993	3.8%
Urban Renewal Property, Public Housing, and Private Subsidized Housing	649	0.7%	319,663	5.7%
Agricultural and Forest Property	2,170	2.5%	59,562	1.1%
Invalidly Coded Exemptions	39	0.0%	1,690	0.0%
<b>Total</b>	<b>87,719</b>	<b>100.0%</b>	<b>\$5,642,845</b>	<b>100.0%</b>

Note: Table includes number of exceptions, not number of exempt tax parcels.  
Source: New York State Office of Real Property Services

**Table 3.7-113  
Equalized Exempt Value of Properties in  
Study Area Municipalities in Oneida County, 2003**

<b>Municipality</b>	<b>Equalized Exempt Value (in \$1,000s)</b>
Vienna*	\$88,913
Augusta	\$28,826
Vernon	\$156,263
Verona	\$328,085
Sherrill	\$81,279
<b>TOTAL</b>	<b>\$683,366</b>

Source: New York State Office of Real Property Services

Note: Prior to City of Sherrill v. Oneida Nation Note:\* The Nation owns land in the Village of Sylvan Beach, which is located in the Town of Vienna.

of value, with the exception of New York City and Nassau County. This means that residential and business property must be assessed at the same percentage of value. The Level of Assessment (LOA) is the percentage of full value at which properties are assessed within a community. For instance, an LOA of 50% would indicate that assessments are at half of the market value; an LOA of 100% represents a community that is assessing at full value. In New York State, each municipality is allowed to choose its LOA and no matter what LOA the municipality uses, all of the assessments in the community are required by law to be at a “uniform percentage of value.” In other words, if a town chooses to assess at 40% of market value, then all of the properties in the town should be assessed at 40% regardless of use (residential, commercial, manufacturing).

Using information from the New York State Office of Real Property, it can be determined how much each property class contributes to the total taxable assessed value of a specific municipality. In 2003, the latest year for which data are available, the majority of a municipality’s taxable base was residential. The residential tax base ranged from 62.4 percent of taxable assessed value in Stockbridge, Madison County, to 80.5 percent in Cazenovia, Madison County. The table on the following page shows total taxable assessed value by property class for each municipality in which the Nation owns land (see Table 3.7-114).

Using this same information and population data, the residential tax burden per capita can be estimated (see Table 3.7-115). The experience of each municipality varies over the time frame. For some, like Fenner, the per capita residential tax burden has declined, while others, such as Smithfield, have experienced an increase. The Towns of Verona and Vernon have a much lower tax burden per capita than the other municipalities.

#### **3.7.9.4 Overview of Nation Land Acquisitions**

The Nation began to reacquire its lands on the open market in 1987 with a bulk of purchases made in the late 1990s. Figures 3.7-22 and 3.7-23 illustrate the number of properties the Nation has purchased since 1987. Most were purchased in 1998 when the

Nation reacquired 93 properties followed in 1999 when the Nation purchased 77 properties.

The total assessed value of land at the time of purchase was the greatest during the years 1998 and 1999 when the Nation bought the most land, both in terms of acreage and number of properties. In 1998, the total assessed value at the time of purchase for the 93 properties was \$8.95 million. However, in 1999, when the Nation purchased 77 properties, the total was assessed at \$4.39 million, while the 45 properties acquired in 2000 were assessed at \$4.82 million.

**Table 3.7-114**  
**Total Municipal Taxable Assessed Value by Property Class**  
**Study Area Municipalities, 2003**

	Municipality	Total Taxable Assessed Value	Agricultural	Commercial	Community Services	Industrial	Public Services	Recreation & Entertainment	Residential	Vacant Land	Public Parks
Madison County	Cazenovia	\$400,420,309	2.5%	6.8%	0.0%	0.3%	6.0%	0.5%	80.5%	3.4%	0.07%
	Fenner	\$53,880,132	14.74%	2.18%	0.00%	0.00%	8.08%	0.00%	69.93%	5.08%	0.00%
	Lenox	\$322,918,514	1.68%	13.72%	0.14%	3.01%	7.34%	1.91%	68.71%	3.50%	0.00%
	Lincoln	\$72,972,583	12.11%	0.60%	0.00%	0.59%	6.45%	0.00%	77.58%	2.68%	0.00%
	City of Oneida	\$378,967,151	0.77%	23.56%	1.83%	2.73%	5.72%	0.46%	63.61%	1.32%	0.01%
	Smithfield	\$33,703,487	18.80%	0.97%	0.00%	0.00%	6.41%	0.21%	68.75%	4.86%	0.00%
	Stockbridge	\$58,287,235	21.92%	5.30%	0.10%	2.06%	6.22%	0.00%	62.40%	2.00%	0.00%
	Sullivan	\$527,677,127	2.25%	7.85%	0.28%	1.01%	5.67%	0.53%	79.67%	2.74%	0.00%
Oneida County	Augusta	\$52,054,346	16.58%	4.28%	0.00%	3.49%	7.80%	1.33%	65.03%	1.41%	0.07%
	Vernon	\$307,172,812	5.54%	10.75%	0.00%	6.80%	4.15%	2.12%	69.36%	1.27%	0.01%
	Verona	\$200,415,789	7.87%	4.99%	7.20%	0.16%	10.05%	0.40%	67.30%	2.02%	0.00%
	Vienna*	\$192,884,869	1.13%	6.95%	0.53%	0.17%	3.79%	2.66%	77.90%	6.64%	0.23%
	Sherrill	\$125,718,100	0.10%	7.72%	0.00%	13.68%	1.87%	1.66%	74.26%	0.72%	0.00%

Source: New York State Office of Real Property Services; The Louis Berger Group, Inc 2005. Note\*The Nation owns land in the Village of Sylvan Beach which is located in the Town of Vienna

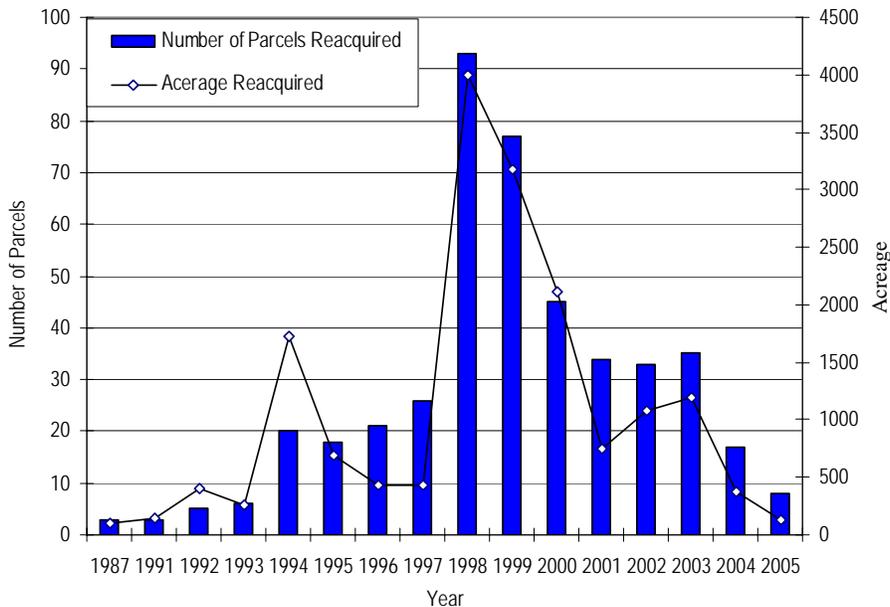
**Table 3.7-115**  
**Residential Property Tax Burden Per Capita**  
**Study Area Municipalities, 2000 - 2003**

	Municipality	2000	2001	2002	2003
Madison County	Cazenovia	\$108.33	\$122.52	\$116.74	\$125.85
	Fenner	\$177.89	\$184.57	\$179.26	\$162.57
	Lenox	\$73.97	\$81.06	\$88.92	\$80.27
	Lincoln	\$120.75	\$122.14	\$129.22	\$131.34
	Smithfield	\$144.84	\$171.43	\$179.55	\$183.70
	Stockbridge	\$93.02	\$101.34	\$104.23	\$117.03
	Sullivan	\$149.16	\$154.53	\$160.73	\$165.40
	Oneida	\$118.78	\$132.75	\$129.27	\$142.15
Oneida County	Augusta	\$133.75	\$147.95	\$150.10	\$126.68
	Vernon	\$25.91	\$23.71	\$23.67	\$23.69
	Verona*	\$31.43			\$33.38
	Vienna**	\$93.01	\$111.22	\$100.34	\$111.89
	Sherrill	\$153.03	\$153.12	\$168.01	\$184.05

\*Missing 2001 and 2002 data. \*\*The Nation owns land in the Village of Sylvan Beach which is located in the Town of Vienna

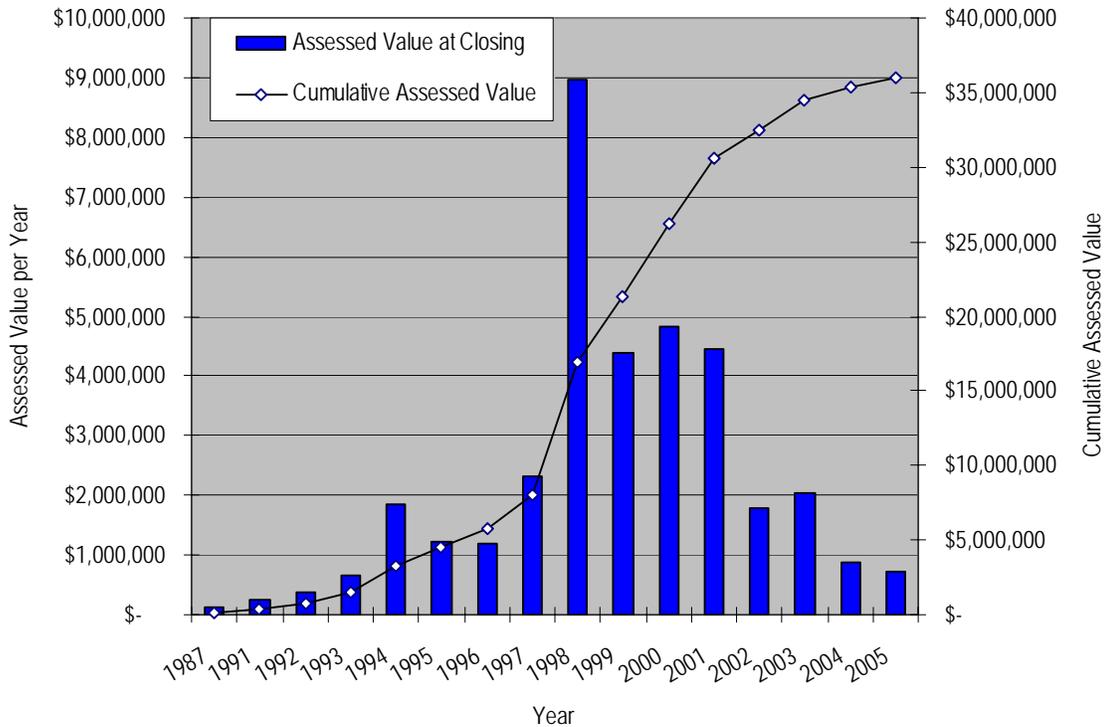
Source: New York State Comptroller's Special Report on Municipal Affairs 2002 and 2003, New York State Office of Real Property MuniPro 2002 and 2003, The Louis Berger Group, Inc., 2005

**Figure 3.7-22**  
**Acreage and Number of Properties Reacquired by the Nation**  
**in Study Area, 1987-2005**



Source: The Nation

**Figure 3.7-23**  
**Assessed Value at Closing and Cumulative Value,**  
**Nation Land Purchases, 1987-2005**



Source: The Nation

The Nation currently owns 17,370 acres in Madison and Oneida Counties spread out over three villages—Canastota, Sylvan Beach, and Vernon; nine towns—Augusta, Cazenovia, Fenner, Lenox, Lincoln, Smithfield, Stockbridge, Sullivan, Vernon, and Verona; two cities—Sherrill and Oneida; and seven school districts — Sherrill, Stockbridge, Oneida, Canastota, Madison, Morrisville, and Cazenovia. Nation lands make up approximately 1.4% of all the land in Oneida and Madison County, which together consist of 1,195,904 acres (see Table 3.7-116).

Madison County

Thirty-eight percent of the land owned by the Nation, or 6,595 acres, is located in Madison County. Within Madison County, the Nation owns land in the Town of Stockbridge (21 percent of Nation land), the City of Oneida (6 percent of Nation land) and the Town of Lenox (5 percent of Nation land). The Nation also owns land in the Village of Canastota and in the Towns of Cazenovia, Fenner, Lincoln, Smithfield, and Sullivan.

Table 3.7-116 details the amount of Nation land as a percentage of the municipality’s total area. In most cases, the Nation owns less than five percent of a village, town, or

city's total land. The exceptions are the Town of Stockbridge, the Village of Canastota, and the City of Oneida where the Nation owns 18, 11, and 7 percent of the total land area, respectively.

#### Oneida County

Sixty-two percent of land owned by the Nation, or 10,776 acres, is located in Oneida County. Within Oneida County the Nation owns land in the Towns of Verona (49 percent of Nation land) and Vernon (11 percent of Nation land). The Nation also owns land in the Villages of Sylvan Beach and Vernon, the Town of Augusta, and the City of Sherrill.

As in Madison County, the Nation owns comparatively little of most municipalities' total land area (see Table 3.7-116). Only in the Towns of Verona and Vernon, the Nation owns more than two percent of the land. The Nation owns 19 and 8 percent of the total land area in Verona and Vernon, respectively.

#### **Use of Nation Lands**

A breakdown of the Nation's land holdings by current use is presented in Table 3.7-117. The distribution illustrates that the active uses (e.g., residential, recreation and entertainment, industrial, commercial, and public and community services) comprise about 25 percent of the total acreage while the remainder are agricultural lands, wild, forested, conservation lands and public parks, or vacant land.

#### **Assessed Value of Nation Land**

The Nation holds properties with a 2005 assessed value of \$443 million, with \$33.9 million in Madison County and \$409 million in Oneida County (see Table 3.7-118).

The Nation's land in the Town of Verona, where the Turning Stone Resort & Casino is located, has the largest current assessed value and accounts for 90 percent of the total assessed value of Nation land. The parcel for the Turning Stone Resort & Casino's gaming facilities has an assessed value of \$362 million. This is currently being contested by the Nation. Nation properties in the City of Oneida account for five percent of the total assessed value of Nation land while the remaining five percent is divided among the other 13 municipalities.

**Table 3.7-116  
Nation Land by Municipality and County**

	<b>Municipality</b>	<b>Acres of Nation Land</b>	<b>Percent of Nation's Land</b>	<b>Percentage of Municipality's Land Area</b>
Madison County	Village of Canastota	226.4	1.30%	10.70%
	Cazenovia	9.3	0.05%	0.00%
	Fenner	27.9	0.16%	0.10%
	Lenox	826.4	4.76%	3.50%
	Lincoln	367.4	2.12%	2.30%
	City of Oneida	1,039.1	5.98%	7.40%
	Smithfield	296.4	1.71%	1.90%
	Stockbridge	3,620.9	20.85%	17.80%
	Sullivan	180.6	1.04%	0.40%
Oneida County	City of Sherrill	4.1	0.02%	0.30%
	Town of Augusta	259.4	1.49%	1.50%
	Town of Vernon	1,901.2	10.95%	7.80%
	Town of Verona	8,593.9	49.48%	19.40%
	Village of Sylvan Beach	6.6	0.04%	1.50%
	Village of Vernon	10.2	0.06%	1.80%
<b>Madison County</b>		<b>6,594.5</b>	<b>37.96%</b>	<b>1.40%</b>
<b>Oneida County</b>		<b>10,775.5</b>	<b>62.04%</b>	<b>1.40%</b>
<b>Total</b>		<b>17,370.0</b>	<b>100.00%</b>	<b>1.40%</b>

Source: The Nation.

**Table 3.7-117  
Nation Land Holdings by Use**

<b>Land Use</b>	<b>Acres</b>	<b>% of Nation ands</b>
Agricultural	11,451	65.92%
Commercial	215	1.24%
Community Services	155	0.89%
Industrial	224	1.29%
Public Services	166	0.95%
Recreation and Entertainment	1,545	8.89%
Residential	1,973	11.36%
Vacant Land	1,169	6.73%
Wild, Forested, Conservation Lands and Public Parks	472	2.72%
<b>Total</b>	<b>17,370</b>	<b>100%</b>

Note: Agriculture includes vacant agricultural land.

Source: The Nation

**Table 3.7-118  
Assessed Value of Nation Land**

		Current Assessed Value	% of Total Current Assessed Value
Madison County	Village of Canastota	\$3,165,100	0.7%
	Cazenovia	\$61,700	0.0%
	Fenner	\$6,300	0.0%
	Lenox	\$4,372,900	1.0%
	Lincoln	\$844,200	0.2%
	City of Oneida	\$20,861,611	4.7%
	Smithfield	\$125,000	0.0%
	Stockbridge	\$4,440,900	1.0%
	Sullivan	\$68,000	0.0%
	<b>Total</b>	<b>\$33,945,711</b>	<b>7.7%</b>
Oneida County	City of Sherrill	\$1,380,000	0.3%
	Town of Augusta	\$366,400	0.1%
	Town of Vernon	\$6,511,700	1.5%
	Town of Verona	\$399,534,977	90.2%
	Village of Sylvan Beach	\$447,600	0.1%
	Village of Vernon	\$978,600	0.2%
	<b>Total</b>	<b>\$409,219,277</b>	<b>92.3%</b>
<b>TOTAL</b>	<b>\$443,164,988</b>	<b>100.0%</b>	

Source: The Nation.

The \$443 million assessed value of Nation land corresponds to 5.9 percent of the total equalized value that was exempt from property taxes in Madison and Oneida County. 2003 is the latest year for which statewide tax exemption data by county is reported by the New York State Office of Real Property Services.

- In Madison County, the current assessed value of Nation lands of \$34 million is 1.0 percent of the total property valuation and 2.4 percent of the total equalized exempt value of all tax exempt properties in Madison County in 2003.
- In Oneida County, the current assessed value of Nation lands of \$409 million is 3.8 percent of the total property valuation and 7.2 percent of the total equalized exempt value of all tax exempt properties in Oneida County. (Exemptions as reported by the New York State of Office of Real Property Services, 2003.)

### **Land Groupings**

As explained in Section 2 of the Preliminary Draft EIS, the Nation grouped its land into three categories for the purpose of the Trust Application (see Table 3.7-118). Group 1 is the smallest group in terms of land area and number of tax lots and consists generally of land associated with the Turning Stone Resort & Casino. Group 2 consists generally of land associated with government and cultural facilities, housing, health, education and hunting, as well as lands in current use for Nation enterprises, such as convenience stores,

services stations, newspaper operations, marinas and agriculture. It includes 37 percent of Nation land in terms of land area and more than half of all Nation-owned tax lots. Group 3 consists generally of undeveloped land, or lands subject to a competing claim of sovereignty by the Stockbridge-Munsee Community of Wisconsin, an Indian tribe located in Wisconsin. Group 3 includes 43 percent of Nation land in terms of land area.

**Table 3.7-119  
Grouping of Nation Land, by Use**

Grouping	Acres	% of Total Acres	Tax Lots
Group 1 (Gaming)	3,428	20%	96
Group 2 (Non Gaming)	6,475	37%	240
Group 3 (Non Gaming Other)	7,467	43%	104
<b>Total</b>	<b>17,370</b>	<b>100%</b>	<b>440</b>

Source: The Nation.

**Group 1 (Gaming)**

Group 1 consists of 96 tax lots covering 3,428 acres in the Towns of Verona and Vernon; both in Oneida County (see Table 3.7-118). The real property has a current assessed value of \$395 million. While 36 percent of Group 1 land is located in Vernon, 99 percent of the total assessed value is in Verona. The tax lot with the Turning Resort & Casino, gaming floor, valued at \$362 million (currently being contested by the Nation), accounts for the largest share of Group 1 Nation land. Estimated county, municipal and school district taxes based on the current assessed value total \$12.6 million.

**Table 3.7-120  
Group 1 (Gaming) Lands**

	Tax Lots	Acres	% of Total Acres	Current Assessed Value	% of Total Current Assessed Value	County Tax Estimate	Municipal Tax Estimate	Estimated School District Tax
Vernon	19	1,232	36%	5,397,600	1%	24,829	3,940	117,560
Verona	77	2,196	64%	389,313,000	99%	3,278,015	272,519	8,942,520
<b>Total Oneida County</b>	<b>96</b>	<b>3,428</b>	<b>100%</b>	<b>\$394,710,600</b>	<b>100%</b>	<b>\$3,302,844</b>	<b>\$276,459</b>	<b>\$9,060,079</b>

Source: The Nation.

Based on 2003 (the latest year for which tax exemption data by county is reported by the New York State Office of Real Property Services) county full valuation and exemption data, Nation land in Group 1 accounts for 6.4 percent of Oneida County's total property valuation and corresponds to 6.6 percent of total exempt value in the County.

**Group 2 (Non-Gaming)**

Group 2 lands are located in Madison and Oneida Counties and 15 of their constituent municipalities (see Table 3.7-119). Group 2 lands are concentrated in Oneida County (72 percent of total Group 2 land area), more specifically in Verona (62 percent). More than half of Group 2 lands in Verona are currently used for agriculture or are vacant agricultural land.

Group 2 lands have a current assessed value of \$41 million, with \$28 million in Madison County and \$13 million in Oneida County. Fifty percent of the valuation of Group 2 properties is from properties located in the City of Oneida, which is the location of Nation government offices and the Nation Village of the White Pines. Estimated county, municipal, and school district taxes based on the current assessed value total \$1.4 million.

**Table 3.7-121  
Group 2 (Non Gaming Lands)**

	Tax Lots	Acres	% of Total Acres	Current Assessed Value	% of Total Current Assessed Value	County Tax Estimate	Municipal Tax Estimate	Estimated School District Tax
Village of Canastota	13	226	2%	\$3,165,100	7.8%	\$26,872	\$31,873	\$67,504
Cazenovia	2	9	0%	61,700	0.2%	521	57	1,124
Lenox	25	638	10%	4,000,900	9.8%	33,968	6,001	86,728
Lincoln	3	22	0%	275,900	0.7%	2,334	944	6,007
Oneida	40	789	12%	20,528,711	50.3%	223,763	147,396	407,514
Stockbridge	1	121	2%	174,500	0.4%	1,480	900	3,801
Sullivan	2	111	2%	34,800	0.1%	295	132	758
<b>Total in Madison County</b>	<b>86</b>	<b>1917</b>	<b>28%</b>	<b>\$28,241,611</b>	<b>69.2%</b>	<b>\$289,233</b>	<b>\$187,303</b>	<b>\$573,435</b>
Augusta	4	2	0%	115,100	0.3%	1,026	1,014	2,828
Sherrill	9	3	0%	1,243,600	3.1%	9,625	7,773	27,073
Village of Sylvan Beach	7	7	0%	447,600	1.1%	3,872	2,435	9,100
Vernon	8	237	4%	799,200	2.0%	3,676	583	16,624
Village of Vernon	5	10	0%	978,600	2.4%	4,502	6,919	21,314
Verona	122	4,298	67%	8,966,077	22.0%	75,494	6,276	195,625
<b>Total in Oneida County</b>	<b>155</b>	<b>4,557</b>	<b>72%</b>	<b>\$12,550,177</b>	<b>30.8%</b>	<b>\$98,195</b>	<b>\$25,000</b>	<b>\$272,564</b>
<b>TOTAL</b>	<b>240</b>	<b>6,475</b>	<b>100%</b>	<b>\$40,791,788</b>	<b>100.0%</b>	<b>\$387,428</b>	<b>\$212,303</b>	<b>\$845,999</b>

Source: Oneida Indian Nation, 2006, unpublished

**Group 3 (Non Gaming - Other)**

Group 3 includes 104 tax lots totaling 7,467 acres, 63 percent of which are Madison in County mostly in Stockbridge (46 percent of total Group 3 land area) (see Table 3.7-122). The remaining 37 percent is located in Oneida County, where the majority of Group 3 land is in Verona (27 percent of total Group 3 land area).

Group 3 lands have a total assessed value of \$7.6 million, 75 percent applies to properties in Madison County and 25 percent to Oneida County lands. Estimated county, municipal, and school district taxes based on the current assessed value total \$0.3 million.

Nation lands in Group 3 account for 0.23 and 0.03 percent of the total assessed value in Madison and Oneida Counties, respectively. The full value of Group 3 lands equals 0.4 percent of the equalized exempt value of Madison County properties and 0.03 percent Oneida County's equalized exempt value.

**Table 3.7-122  
Group 3 (Non Gaming - Other)**

	Tax Lots	Acres	% of Total Acres	Current Assessed Value	% of Total Current Assessed Value	County Tax Estimate	Municipal Tax Estimate	Estimated School District Tax
Fenner	1	28	0.4%	\$6,300	0.1%	\$58	\$31	\$149
Lenox	9	189	2.5%	372,000	4.9%	3,158	558	9,498
Lincoln	5	345	4.6%	568,300	7.4%	4,808	1,944	12,377
Oneida	5	250	3.3%	332,900	4.4%	3,629	2,390	6,548
Smithfield	4	296	3.9%	125,000	1.6%	1,114	1,005	2,476
Stockbridge	47	3,500	46.2%	4,266,400	55.8%	36,179	22,015	92,986
Sullivan	2	69	0.9%	33,200	0.4%	282	126	723
<b>Total in Madison County</b>	<b>73</b>	<b>4,677</b>	<b>63.2%</b>	<b>\$5,704,100</b>	<b>75.3%</b>	<b>\$49,227</b>	<b>\$28,068</b>	<b>\$124,757</b>
Augusta	2	258	3.4%	251,300	3.3%	2,239	2,214	6,174
Sherrill	1	0	0.0%	52,000	0.7%	402	325	1,133
Vernon	5	432	5.7%	314,900	4.1%	1,449	230	6,859
Verona	22	2,099	27.7%	1,255,900	16.6%	11,578	963	28,428
<b>Total in Oneida County</b>	<b>30</b>	<b>2,789</b>	<b>36.8%</b>	<b>\$1,874,100</b>	<b>24.7%</b>	<b>\$15,668</b>	<b>\$3,731</b>	<b>\$42,594</b>
<b>TOTAL</b>	<b>104</b>	<b>7,464</b>	<b>100%</b>	<b>\$7,578,200</b>	<b>100%</b>	<b>\$64,895</b>	<b>\$31,799</b>	<b>\$167,351</b>

Source: Oneida Indian Nation, 2006, unpublished

***Intensity of Land Usage***

Nation land is used by more than 5,000 persons on a daily basis excluding visitors. Average daily number of visitors to Turning Stone Resort & Casino in FY2005 was 12,200.

There is an average of 3.4 acres of Nation land per “daytime user”, which includes Nation employees, Nation members who are unemployed or not in the labor force (e.g., retired, student, homemaker) and young children. By comparison, the average land per daytime user in Madison and Oneida Counties as a whole is 3.8 and 1.8 acres per person, respectively (see Table 3.7-123). The calculations for Madison and Oneida Counties are for the counties as a whole, which means that they include the Nation’s land, members and employees. Based on the most recent data, employment has decreased in both

counties since 2000. In Oneida County population also has decreased since 2000. While 2005 data is not available, the acreage per person in both counties is likely to be higher in 2005 than in 2000.

Thus, even when excluding visitors who increase the intensity of land use activities at select locations, the Nation land is not used less intensively than land in Madison County as a whole.

**Nation Payments Credited Against Property Taxes Claimed**

As shown in Table 3.7-98, the Nation directly paid \$38.5 million to local governments in Madison and Oneida County. From 2005 through March 2006, local governments credited \$6.9 million of the Nation's payments against outstanding tax bills (see Table 3.7-124). Other than Vernon-Verona-Sherrill

**Table 3.7-123  
Land Area per Daytime User  
Madison and Oneida Counties and the Nation**

	Madison County	Oneida County	The Nation
Not In labor force	60,607	240,649	233*
Unemployed	15,135	49,461	62*
Workers	23,840	108,265	4,611**
Workers who live within the County	16,174	89,035	
In-commuters	7,666	19,230	
Children (less than 16)	9,881	27,374	154***
<b>Total Daytime Population</b>	<b>109,463</b>	<b>425,749</b>	<b>5,060</b>
Land Area (acres)	419,774	776,125	17,402****
<b>Average Acreage per Daytime User</b>	<b>3.8</b>	<b>1.8</b>	<b>3.4</b>

Source: U.S. Bureau of Census, Census 2000, Summary File 1; Census 2000, Journey To Work; Census 2000, American Indian and Alaska Native Summary File (AIANSF) ; Nation.

Notes: \* Estimates from the Census 2000 AIANSF; \*\* 2005 data; \*\*\* Sum of Children under age 5 from the Census 2000 AIANSF and non Member children at the Nation's Early Learning Center; \*\*\*\*Includes properties reacquired by the Nation as of 2005 and 32 acres Nation Territory.

District (V.V.S), all local school districts were paid in full for the 2005-2006 fiscal year. The Nation has questioned V.V.S.'s \$4.6 million property tax claim on several grounds, including a recent federal court decision stating that the lands are exempt from taxation under state law, the assessment is improperly inflated, and because it improperly includes tax on Indian gaming activity. As of March 2006, the Nation had paid V.V.S. \$298,400, which is the fiscal year 2005-2006 tax claim for the properties that are not part of the gaming complex.

The local governments have continued to send the Nation invoices for property taxes, interest, and penalties. As of June 2006, local governments had invoiced the Nation a total of \$21.4 million in property taxes, including penalties (see Table 3.7.-125). The local governments did not credit the Nation for its \$7.7 million Silver Covenant Grant payments (see Section 3.7.7).

**Table 3.7-124**  
**Payments Credited to the Nation**  
**by Local Governments, 2005-2006 (in \$000s)**

Local Governments	County	Amount Paid
School Districts		
Canastota	Madison	\$176.5
Madison	Madison	\$11.1
Morrisville-Eaton	Madison	\$2.1
Oneida	Madison	\$510.0
Stockbridge	Madison	\$137.1
Vernon-Verona-Sherrill *	Oneida	\$298.4
Other Local Governments		
City of Sherrill	Oneida	\$59.8
City of Oneida	Madison	\$5,089.0
Oneida County	Oneida	\$650.0
<b>Total</b>		<b>\$6,943.0</b>

\* The assessed value of the Turning Stone Resort & Casino is being contested by the Nation. In addition, the Nation made a payment of \$9,315 to the City of Sherrill in 2006 that was credited against its 2006-2007 tax bill.  
Source: The Nation

**Table 3.7-125  
Taxes Claimed by Local Government (including penalties and interest),  
June 2006**

Location	Town and County Total Tax Claims	Village Tax Claims	Total
Town of Augusta	\$7,496	-	\$7,496
Town of Fenner	91	-	91
Town of Lenox	48,057	-	48,057
Town of Lincoln	10,610	-	10,610
Town of Smithfield	2,301	-	2,301
Town of Stockbridge	59,875	-	59,875
Town of Sullivan	805	-	805
Town of Vernon	171,130	-	171,130
Town of Verona	20,958,230	-	20,958,230
Village of Canastota	72,531	34,453	106,983
Village of Sylvan Beach	13,877	7,636	21,514
Village of Vernon	16,224	6,910	23,134
V.V.S School District			
<b>Total</b>	<b>\$21,361,227</b>	<b>\$48,999</b>	<b>\$21,410,226</b>

Note:\* The assessed value of the Turning Stone Resort & Casino is being contested by the Nation.  
Source: The Nation

### 3.7.9.5 Cost of Local Government Services directly related to the Nation

Under the Indian Gaming Regulatory Act (IGRA), an Indian Casino cannot be taxed, nor is a Tribe allowed to make payments in lieu of taxes, but only may pay mitigation for actual impacts. This section reviews the Nation's activities in relationship to their need or demand for county and local government services. Conceptual estimates are made of the amount of county and local government spending that may be reasonably attributable to Nation activities.

County and local government services are traditionally supported by the local property tax but also by several other non-property tax local sources (e.g., sales taxes, charges, fees, and permits) and non-local sources such as Federal- and State-Aid. To develop an estimate of the amount of county and local government service expenditures that may be impacted by the Nation activities, this section accounts for these supplementary sources and considers only the amount of governmental services spending supported through the property tax levy. The property tax payment is the principal revenue source for county and local government that would be unavailable should the Nation lands get placed into trust. Other socioeconomic sections of this report consider whether, and to what extent, the Nation's activities may contribute revenues to county and local government to mitigate the expenditure effects described below.

### **Local Schools**

The total pupil enrollment, the total costs and the total per-pupil costs to educate children in the School Districts for which the Nation has land holdings are presented in Table 3.7-126. Based upon 2004 data compiled from the New York State's Office of the State Comptroller and the New York State Department of Education, school district expenditures include all funding categories: general support; operations and maintenance; instruction and administration; teaching; school lunch; transportation; and other elements of overhead and administration and incorporates debt service.

Federal-aid and state-aid programs are the dominant means for funding public school education spending. State-Aid is the principal means for supporting educational spending accounting for 54 percent of the revenues reported in aggregate for the school districts with Nation land holdings. By comparison, Federal-Aid accounts for just over 5 percent of revenues. The local property tax accounts for just over one-third of the revenue stream for local school district education. Additional but relatively minor sources of revenue to the subject school districts come from interest earnings and other revenues (e.g. tuition and transportation of non-resident pupils, proceeds of insurance adjustments, surplus property sales and lunch or store fund sales, and non-property tax payments from use and utility taxes). Table 3.7-126 deducts non-local sources of revenue and estimates per-pupil spending supported by the local property tax.

Table 3.7-127 presents a table that estimates the number of Native American school children attending local school districts. Based upon input from the Nation Members Department, the table identifies the number of school-age children residing in the White Pines Village, the 32-acre Territory and the other Nation Land holdings. These estimated 65 school-age children attend the Oneida or Stockbridge Valley School Districts. The table also provides an estimate of the number of Native Americans, approximately 89 school-age children, living on lands that are not owned by the Nation which are expected to make property tax payments either directly or indirectly through rental payments. The table does not include children attending the Manlius Pebble Hill School, a private school that the Nation has provided tuition for talented and gifted children.

Based on the estimated number of public school age children on Nation lands outside the 32-acre territory, the Nation is currently estimated to require about \$207,000 of local school spending that is supported by the local property tax levy (in FY 2004 dollars) for districts with Nation land holdings. This aggregate level of spending is concentrated in two school districts that educate Oneida children and who occupy Nation housing. The fiscal analysis does not include the costs for educating all Native American children or children in Nation member households living off Nation-owned lands excluded from this Trust Application (e.g., those on the 32-acre reservation are not included in this analysis). The analysis as reported in Table 3.7-126 finds that spending is concentrated in the Oneida School District followed by the Stockbridge Valley Central District.

For comparison purposes, as illustrated in Table 3.7-124, FY2005-06 payments were credited to the Nation for their contributions to the Oneida School District (\$510,000) and Stockbridge (\$137,100) which exceed the estimated costs of local school spending required by Nation Member school-age children. Additionally, the Nation made payments for their other land holdings benefiting other school districts for which Nation Member students were not in attendance. Some caution is warranted in this comparison as the school spending estimates are in 2004 dollars while the taxes claimed that were paid by the Nation were in 2005 dollars. Further, pinpointing school district attendance levels for those in Nation housing is somewhat problematic. However, it appears that the amount of school district spending (supported by the property tax) induced by the children residing in Member Housing is less than the property taxes levied upon these lands.

With the Nation's lands officially taken into trust, the fiscal burden to school districts may be lessened or mitigated somewhat through the eligible School District's pursuit of Federal Impact Aid Funding. The amount of Federal Impact Aid is determined by a formula that accounts for the number of eligible students enrolled in the school and the Nation's land within the school district that is tax-exempt due to federal ownership or other allowable tax-exempt status. A minimum enrollment of 3 percent or 400 eligible student must be enrolled in the public school district to meet the eligibility criteria. Based on current estimates of Nation school-age children (approximately 5 percent of total enrollment), the Stockbridge Valley Central School District appears to meet the threshold eligibility requirements to pursue this source of funding.

Additionally, Stockbridge Valley Central, with its District boundaries inclusive of the 32-acre reservation, appears to be the only school district that has received assistance through the New York State Indian Aid for Public Schools program. Through its Office of Native American Education, New York State offers transportation and education reimbursements to schools that have students from Indian families living on tribal lands. There is no minimum number of enrolled students necessary to be eligible for New York State's program. With the lands conveyed into trust, other school districts should be eligible for funding through the program to partially mitigate the costs identified above.

An additional consequence of conveying lands into trust should be an adjustment in the application of the Combined Wealth Ratio Formula used to indicate wealth on the New York State Tax Report. Local Districts have noted that they received less State Aid and reduced eligibility for grants because the formula considers full valuation per pupil which includes the value of Nation lands thus making local school districts appear "wealthier" in terms of the application of the formula.

**Table 3.7-126**  
**School District Spending Attributable to School Age Children on Nation Lands**

School Districts with Nation Land Holdings	Total District Expenditures	Number of Enrolled Pupils	Expenditures per Pupil	Revenues: State & Federal Aid, Interest, Other Non-Local Per Pupil	Revenues: Supported by Local Property Tax Per Pupil	Existing Children	Current Estimate of Spending Attributable to Nation
Oneida	\$40,978,273	2,551	\$16,064	\$8,049	\$3,869	40	\$154,778
Cazenovia	\$21,181,943	1,805	\$11,735	\$4,406	\$7,329	0	\$0
Canastota	\$18,773,848	1,547	\$12,136	\$7,241	\$4,895	0	\$0
Morrisville-Easton	\$15,512,461	877	\$17,688	\$10,807	\$6,881	0	\$0
Madison	\$8,600,752	464	\$18,536	\$12,070	\$6,466	0	\$0
Stockbridge	\$7,866,125	532	\$14,786	\$11,892	\$2,894	18	\$52,091
Sherrill	\$27,949,467	2,328	\$12,006	\$7,689	\$4,317	0	\$0
<b>Total</b>	<b>\$140,862,869</b>	<b>10,104</b>	<b>\$102,950</b>	<b>\$62,153</b>	<b>\$36,653</b>	<b>58</b>	<b>\$206,869</b>

Source: New York State Comptrollers Office, 2006; Nation Housing (unpublished), 2006; The Louis Berger Group, Inc., 2006. Source:  
Note: Total District Expenditures and expenditures per pupil include operations and equipment and capital outlays.

**Table 3.7-127**  
**Estimate of Member and Native American Children by School District On- and Off Nation Lands**

School District	Nation Housing Lands			Sub-Total	Non-Nation Lands	Total
	Village of White Pines	Reservation	Other Nation Land Holdings			
Oneida	33	1	7	41	46	94
Stockbridge Valley	5	6	13	24	13	50
V.V.S	0	0	0	0	11	11
Canastota	0	0	0	0	19	19
<b>Total</b>	<b>38</b>	<b>7</b>	<b>20</b>	<b>65</b>	<b>89</b>	<b>174</b>

Source: Nation (unpublished), 2006.

***Nation Share of County and Local Governments***

The Nation’s demands for local governments and services have been estimated for the Counties, Cities, Towns, and Villages and in which the Nation has land holdings. The method for cost estimation of the Nation’s share of fiscal expenditures for these entities generally involves the following steps:

1. Revenue and expenditure data were collected from the New York State, Office of the State Comptroller for year 2004 budget, the most recent year for which uniformly reported data was available. The Town of Verona’s budgetary data was not available in time for the statewide Comptroller’s Report for several years including the subject year, but the Town provided their missing budgets upon request.
2. Revenues by source were benchmarked to identify that portion of local government spending that was raised from the Property Tax assessment as opposed to other sources for each relevant jurisdiction. The following are major non-property tax revenue source items to consider for the subject municipalities and counties:

**Intergovernmental Revenues** - Federal and State Aid for general purposes, health, highway and transportation and social services, and other sources fall into this category. Intergovernmental revenues also include utility revenues and all revenues not otherwise classified such as repayments of social services and income from health departments, sewer departments, water departments, and home and community services departments. Unclassified or miscellaneous other revenues are in this category from licenses, permits, rentals, sales, fines and forfeits, recoveries, and refunds. This also includes tobacco settlement payments including securitized payments. Interfund revenues are not included under this category.

**Non-Property Tax** – This category includes ales taxes or sales tax credits that may be distributed by the County, franchise revenues, off-track betting surtaxes, hotel room occupancies, harness and flat track admission taxes, interest and penalties, etc.

**Other Tax** - Interest and penalties on taxes inclusive of sewer and water rents, payments in lieu of taxes, gain from sales of tax acquired properties, and town payments to reduce the county tax levy are included in this category.

3. Expenditures by function were then examined for county and local government services and include the following major functional categories which are defined in greater detail below: General Government; Education (county only); Public Safety; Public Health; Transportation; Economic Assistance; Culture-Recreation; and Home and Community Services.
4. An appropriate cost allocation method and metric was applied to each functional expenditure category. Expenditures by function typically involve services to support residential and nonresidential activities undertaken in their respective jurisdictions. Depending on the functional expenditure category and the nexus between the Nation's operations and the governmental service, the appropriate allocation metric for costs may reflect a principally residential beneficiary (i.e. per capita), both residential and non-residential beneficiaries (e.g. full time equivalent population or FTEP), or demand usage requirements (e.g., vehicle-trips, etc.).
5. Based on the assigned cost allocation metric and the Nation's estimated or projected activity volumes, the Nation's demand for local spending that is supported by the property tax levy was estimated.

#### **Public Safety**

Police, fire, and other public safety such as traffic control, public safety administration, animal control, building inspection, civil defense, and examining boards are among the departments whose spending is included in this functional category for municipalities (see Table 3.7-128, Column 1). For Counties, the category also includes sheriff, jail, rehabilitation services, and probation, among other activities. The Nation's estimated share of public safety costs and required expenditures is presented in Table 3.7-128.

The cost allocation metric for this category is based upon estimates of the residential population living on Nation's Lands, the workers reporting to job establishment locations on Nation lands, and the daily visitors frequenting the Turning Stone Resort & Casino (Table 3.7-128, Column3). The resulting FTEP metric is a measure of demand for public services attributable to visitor activity, employment, and population. Time weights are applied to each demand factor to create a resident equivalent population estimate or FTEP which is used as the basis for allocation of public safety costs which are expected to be triggered by visitors, employees and residents.

The property tax is not the sole basis for funding county or local expenditures so a downward adjustment is also made to exclude expenditures that are funded by other revenue sources (Table 3.7-128, Column 6).

The last two columns report the Nation's estimated need for public safety expenditures based on their attributed share of the full-time equivalent population or FTEP (Table 3.7-128, Columns 7 and 8).

Based on this methodology, the activities on Nation's land tend to have a greater impact on public safety expenditures for Oneida and Madison Counties and the City of Oneida than other municipalities. Table 3.7-128 illustrates the order-of-magnitude of these attributed costs for the Nation's activities when other sources of revenue than the property tax are accounted for as sources of funding for service delivery.

As reported elsewhere in Chapter 3, the burden and responsibility for public safety on the gaming floor of the Turning Stone Resort & Casino extend beyond the jurisdiction of county and local governments to State policing and regulatory institutions. The Nation absorbs these costs through its substantial reimbursement payments to the New York State Police and the New York Racing and Wagering Board, respectively, for their law enforcement and compliance examinations of gaming activities. Additionally, the Nation's police department conducts policing activities that have the practical effect of reducing the number of service calls and/or time commitment required of other policing jurisdictions. In the absence of the Nation's police department, it can be reasonably anticipated that other jurisdictions would have to increase their resource commitments to address the public safety function.

Additionally, as described in Section 3.7.7.3, the Nation has recognized that it uses many of the municipal services of the jurisdictions in which it owns property. The Nation and municipalities have signed service agreements in the past as a means by which local governments can be reimbursed for the Nation's use of municipal services (see Table 3.7-96). In the area of public safety, fire protection agreements have been developed with the Town of Verona and in the past with the Village of Canastota. Police deputization agreements were also in effect with Madison and Oneida County for a period of more than five years before they were cancelled in the year 2000 and, as part of such agreements, the Nation agreed to pay reasonable administrative costs incurred by the Sheriff's department, including fees for background checks, with a minimum guaranteed payment per quarter. The Nation had also agreed to carry liability insurance for indemnification purposes.

Beyond these considerations, it should be recognized that the estimate of the Nation's need for public services presented in this section is an estimate of the county and local costs attributable to the Nation's activities that would fall to the property tax for payment if such payment were to be made. Other economic and fiscal sections account for the indirect means – for example, sales tax or property tax payments made by vendors or workers in the Oneida enterprises and government living outside the Nation lands -- by which local jurisdictions receive revenue or compensation for Nation activities in the absence of the property tax payment.

### **Health**

This category consists of expenditures for ambulance services, public health administration, registrar of vital statistics, and all other health services. These services are

primarily serving the residential population of subject jurisdictions and, thus, costs could be fairly allocated on a “per capita” basis. However, the visitors and work force to the Turning Stone Resort & Casino may require health-related services on occasion and therefore a more conservative approach to cost allocation was employed (i.e., the FTEP approach). Table 3.7-129 illustrates the relatively small size of total spending in this category for most local jurisdictions particularly when adjustments are made to account for non-property tax sources of revenue (e.g., health department income). County spending is significantly greater but significant portions of spending are supplemented by Federal-Aid, State-Aid and departmental income from fees and charges.

In addition, as described elsewhere in Chapter 3, it is noted that the Nation operates a health clinic available to its Members and other Native Americans which offers preventative care and medical care services, provides health insurance for its Members and delivers medical care to Nation health center clients whether or not they have medical insurance. Some of these services and benefit programs are funded through Indian Health Service Federal Grants and others are provided by the Nation.

There health benefits and services to Nation Members and other Native American tribes in the area offer a measure of relief to county and local government in the area of public health spending. There are likely to be fewer uninsured individuals seeking health care services from County or Local jurisdictions (see Section 3.7.5) and a smaller proportion of total patient visits to the emergency room for medical treatments better handled at clinics.

### ***Economic Assistance***

This category consists of expenditures to promote the economic welfare of the town, villages and city residents. For Counties, the category also includes expenditures for infirmaries and social services, administration and programs (including county expenditures for services for recipients, medical assistance - MMIS/Medicaid, aid to dependent children, child care, home relief, etc.).

These services are primarily intended to serve the residential population of subject jurisdictions and, thus, costs have been allocated on a population “per capita” basis. Table 3.7-130 illustrates the very high spending levels required of the Counties, reflective of the substantial dependency in the region on inter-governmental transfers for social services through Federal-Aid and State-Aid programs. The Nation’s estimated per capita share of total spending is attributable to its residential populations residing in dwellings established through the Nation’s residential housing programs which are more concentrated in Madison County than Oneida County.

### ***Culture-Recreation***

This category consists of expenditures for parks, playgrounds, youth and adult recreation programs, libraries, recreational facilities, and other cultural and recreational activities. These services are generally intended to benefit the residential population, therefore, a

population per capita cost allocation method was used to estimate the Nation's attributed costs (see Table 3.7-131). The Nation's demand for these services is minimal from most local jurisdictions with slightly higher costs incurred in the City of Oneida along with the Counties which are the jurisdictions in which more residences are sited on Nation lands.

### **Home and Community Services**

This category typically includes expenditures for the operation and administration of a water, sewer, electric, gas or steam system. Additionally the category includes expenditures for garbage collection and disposal, drainage and storm sewers, housing and community development, natural resources, and activities intended to improve the general environment. These services are generally intended to benefit the residential population; therefore, a population per capita cost allocation method was used to estimate the Nation's attributed costs (see Table 3.7-132).

Many of these service categories such as water and sewer are heavily supported by income from user charges and other fees. Table 3.7-133 illustrates the relative importance of these sources in comparison to the property tax and budget for several communities with Nation lands. It can be seen that in several municipalities in which the Nation has relatively more land holdings, the municipal jurisdictions draw revenues from fees and services to support their activities. For example, the Town of Verona collected more than \$700,000 in water and sewer income in FY2004 – 180 percent more than was collected by the property tax. For comparison purposes, and while the fiscal years differ, the Nation paid the Town of Verona \$581,400 in water and sewer charges in FY2005. Other municipalities with significant Nation land holdings that rely more heavily upon such fees include Stockbridge, the City of Oneida and the Village of Canastota, among other jurisdictions.

The Nation has recognized that it uses water and sewer services in the jurisdictions in which it owns property. The Nation has developed water and sewer agreements with the Village of Canastota, City of Oneida and the Town of Verona for which it pays user charges and other charges and fees for services provided. Water user charges are also made to the Village of Vernon.

### **Education**

This category includes the county's contribution to the community colleges, tuition payments to community colleges, education of handicapped students, and miscellaneous education expenditures. This category is not applicable to towns, villages and cities. County education expenditures are primarily intended to deliver services to a residential population so costs have been allocated on a per capita basis. Therefore, the Nation's need for these services is primarily confined to its small residential population base (see Table 3.7.-134)

**General Government and Debt Service**

The general government category includes expenditures for executive, legislative, judicial and financial operations for county and local governments. In the case of general government expenditures, calling upon a separate sovereign nation to absorb the general costs of another local government is a challenge to its sovereignty. As reported in a separate section of the Draft EIS, the Nation's government also maintains executive, legislative, judicial and financial operations. The Nation seeks to *consult* with other governments on a government-to-government basis but does not seek to be subjects of another government and, thus, do not demand these services from them. However, from the county and local government perspective, the policy and administrative functions of general government include the affairs of the Nation and its members and those who work or visit the Nation's lands and enterprises.

Table 3.7-135 presents the estimated costs of general government services on a full time equivalent population basis. The assessed valuation method as a basis for cost allocation is problematic; the valuation approach does not necessarily reflect the actual cost of general governmental services. The valuation method is made further problematic for estimating the Nation's share of general government costs by the continuing dispute over Turning Stone Resort & Casino's valuation.

Debt service is a cost of operating county and local governments that is supported by property tax payments among other revenue sources. The Nation's estimated debt service contribution is derived from a debt-to-operating cost ratio which is then applied to the total estimated operating costs for all other categories for which the Nation makes a demand for county or local governmental services.

**Transportation**

The transportation category includes expenditures for maintenance and improvements of county and municipal roads and bridges, snow removal, street lighting, landscaping of roads, sidewalk maintenance, off-street parking, and other transportation-related items. The Nation's estimated share of transportation costs and required expenditures is presented in Table 3.7-136.

The cost allocation metric for this category is based upon estimates of the Nation's share of trip generation within the municipal and county jurisdictions. Trip generation for the Nation attributable to its visitors, employment establishments and residents in the study area municipalities and counties were derived from the Nation's land uses and major attractions (e.g., Turning Stone Resort & Casino, SavOn Convenience Stores and Gas Stations). The data was supplemented with estimates of population and employment levels by municipal location. Trip generation rates for the Nation and the surrounding municipalities and counties were based upon rates reported by the Institute of Transportation Engineers and estimates of intensity of land development (i.e., square

footage per employee factors) reported by the Energy Information Administration for various land use types.

Trip generation serves as a proxy measure for the degree of roadway usage attributable to the Nation by assessing the number of trips generated or attracted in the individual jurisdictions in which the origin or destination activity is located and calculating the Nation's share against that caused by non-Nation activities. Further refinements in assessing roadway demands would require further consideration of trip distances. Additionally, trip origin-destination surveys may sometimes be deployed to refine trip distributions and traffic routing assignments. Any route assignment share that would track the Nation's contribution to the network vis-à-vis all traffic must be further cross-referenced against the responsible governing jurisdiction for each roadway segments in the transportation network to support a refined estimation of fair share responsibilities for maintenance and operations.

Travel network models can be developed to support such refined analyses at some considerable cost, although they are generally calibrated for the major arterial segments and developed to plan for capital improvements attributable to regional travel movements rather than to assess maintenance obligations. The Traffic Section of the EIS does not note the need for major capital improvements.

Utilization of the travel network model approach for the purpose of supporting fiscal responsibilities related to maintenance would have to include and simulate travel behavior on the minor links of a local roadway network. Such a tool would need to be designed to measure 24-hour volumes for work and non-work trip purposes not only on the major access roads to the Turning Stone Resort & Casino but other portions of the local street network throughout the studied jurisdictions to adequately compare vehicles mile traveled attributable to the Nation with all other vehicle miles traveled.

**Table 3.7-128**  
**Nation's Share of Public Safety Spending, 2005 (in 2004 Dollars)**

County	Municipality	(Col. 1) Spending	(Col. 2) Per FTEP	(Col. 3) Nation Full-Time Equivalent Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Madison	City of Oneida	\$4,269,074	\$347.44	321	\$111,636	2.6%	18.5%	\$20,614	0.5%
Madison	Village of Canastota	\$917,967	\$200.53	10	\$2,063	0.2%	36.0%	\$742	0.1%
Madison	Cazenovia	\$236,754	\$34.15	0	\$0	0.0%	65.4%	\$0	0.0%
Madison	Fenner	\$43,797	\$30.74	0	\$0	0.0%	58.1%	\$0	0.0%
Madison	Lenox	\$153,070	\$17.03	25	\$418	0.3%	63.7%	\$266	0.2%
Madison	Lincoln	\$112,663	\$68.45	13	\$900	0.8%	77.7%	\$700	0.6%
Madison	Smithfield	\$44,712	\$42.23	0	\$0	0.0%	78.4%	\$0	0.0%
Madison	Stockbridge	\$27,098	\$13.62	29	\$397	1.5%	62.1%	\$246	0.9%
Madison	Sullivan	\$640,733	\$46.11	3	\$132	0.0%	75.1%	\$99	0.0%
	<b>Subtotal - Madison</b>	<b>\$6,445,868</b>		<b>401</b>	<b>\$115,547</b>			<b>\$22,667</b>	
Oneida	City of Sherrill	\$497,104	\$145.36	15	\$2,175	0.4%	22.7%	\$495	0.1%
Oneida	Village of Sylvan Beach	\$92,455	\$76.65	0	\$0	0.0%	33.9%	\$0	0.0%
Oneida	Village of Vernon	\$217,962	\$196.81	0	\$0	0.0%	21.3%	\$0	0.0%
Oneida	Augusta	\$55,351	\$29.64	0	\$0	0.0%	50.5%	\$0	0.0%
Oneida	Vernon	\$132,042	\$25.76	12	\$314	0.2%	14.1%	\$44	0.0%
Oneida	Verona	\$15,199	\$2.23	3,520	\$7,844	51.6%	7.2%	\$561	3.7%
Oneida	Vienna	\$344,116	\$64.76	0	\$0	0.0%	40.3%	\$0	0.0%
	<b>Subtotal - Oneida</b>	<b>\$1,354,229</b>		<b>3,547</b>	<b>\$10,333</b>			<b>\$1,100</b>	
Oneida	County	\$32,651,817	\$130.41	3,547	\$462,575	1.4%	21.5%	\$99,619	0.3%
Madison	County	\$8,592,506	\$121.56	398	\$48,425	0.6%	32.3%	\$15,653	0.2%
<b>Total</b>		<b>\$49,044,420</b>			<b>\$636,880</b>			<b>\$139,040</b>	

Source: New York State Office of the State Comptroller.



**Table 3.7-129**  
**Nation's Share of Public Health Spending, 2005 (in 2004 Dollars)**

County	Municipality	(Col. 1) Spending	(Col. 2) Per FTEP	(Col. 3) Nation Full-Time Equivalent Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Madison	City of Oneida	\$55,472	\$4.51	321	\$1,451	2.6%	18.5%	\$268	0.5%
Madison	Village of Canastota	\$15,600	\$3.41	10	\$35	0.2%	36.0%	\$13	0.1%
Madison	Cazenovia	\$6,978	\$1.01	0	\$0	0.0%	65.4%	\$0	0.0%
Madison	Fenner	\$5,664	\$3.98	0	\$0	0.0%	58.1%	\$0	0.0%
Madison	Lenox	\$51,505	\$5.73	25	\$141	0.3%	63.7%	\$90	0.2%
Madison	Lincoln	\$7,050	\$4.28	13	\$56	0.8%	77.7%	\$44	0.6%
Madison	Smithfield	\$3,891	\$3.68	0	\$0	0.0%	78.4%	\$0	0.0%
Madison	Stockbridge	\$100	\$0.05	29	\$1	1.5%	62.1%	\$1	0.9%
Madison	Sullivan	\$101,620	\$7.31	3	\$21	0.0%	75.1%	\$16	0.0%
	<b>Subtotal - Madison</b>	<b>\$247,880</b>		<b>401</b>	<b>\$1,705</b>			<b>\$430</b>	
Oneida	City of Sherrill	\$176	\$0.05	15	\$1	0.4%	22.7%	\$0	0.1%
Oneida	Village of Sylvan Beach	\$3,763	\$3.12	0	\$0	0.0%	33.9%	\$0	0.0%
Oneida	Village of Vernon	\$64	\$0.06	0	\$0	0.0%	21.3%	\$0	0.0%
Oneida	Augusta	\$1,486	\$0.80	0	\$0	0.0%	50.5%	\$0	0.0%
Oneida	Vernon	\$1,769	\$0.35	12	\$4	0.2%	14.1%	\$1	0.0%
Oneida	Verona	\$2,186	\$0.32	3,520	\$1,128	51.6%	7.2%	\$81	3.7%
Oneida	Vienna	\$30,905	\$5.82	0	\$0	0.0%	40.3%	\$0	0.0%
	<b>Subtotal - Oneida</b>	<b>\$40,349</b>		<b>3,547</b>	<b>\$1,133</b>			<b>\$81</b>	
Oneida	County	\$20,131,927	\$80.40	3,547	\$285,207	1.4%	21.5%	\$61,422	0.3%
Madison	County	\$10,465,526	\$148.06	398	\$58,980	0.6%	32.3%	\$19,065	0.2%
<b>Total</b>		<b>\$30,885,682</b>			<b>\$347,026</b>			<b>\$80,999</b>	

Source: New York State Office of the State Comptroller.



**Table 3.7-130  
Nation's Share of Economic Assistance Spending, 2005 (in 2004 Dollars)**

		(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)	(Col. 8)
County	Municipality	Spending	Per Capita	Nation Population	Nation Need	Nation Need Share	Property Tax Contribution	Adjusted Nation Need	Nation Share
Madison	City of Oneida	\$1,086	\$0.10	163	\$16	1.5%	18.5%	\$3	0.3%
Madison	Village of Canastota	\$27,539	\$6.16	6	\$39	0.1%	36.0%	\$14	0.1%
Madison	Cazenovia	\$6,446	\$0.95	0	\$0	0.0%	65.4%	\$0	0.0%
Madison	Fenner	\$545	\$0.32	0	\$0	0.0%	58.1%	\$0	0.0%
Madison	Lenox	\$12,274	\$1.39	23	\$32	0.3%	63.7%	\$20	0.2%
Madison	Lincoln	\$0	\$0.00	10	\$0	0.0%	77.7%	\$0	0.0%
Madison	Smithfield	\$0	\$0.00	0	\$0	0.0%	78.4%	\$0	0.0%
Madison	Stockbridge	\$320	\$0.15	34	\$5	1.6%	62.1%	\$3	1.0%
Madison	Sullivan	\$1,600	\$0.11	3	\$0	0.0%	75.1%	\$0	0.0%
	<b>Subtotal - Madison</b>	<b>\$49,810</b>		<b>239</b>	<b>\$92</b>			<b>\$40</b>	
Oneida	City of Sherrill	\$0	\$0.00	9	\$0	0.0%	22.7%	\$0	0.0%
Oneida	Village of Sylvan Beach	\$0	\$0.00	0	\$0	0.0%	33.9%	\$0	0.0%
Oneida	Village of Vernon	\$0	\$0.00	0	\$0	0.0%	21.3%	\$0	0.0%
Oneida	Augusta	\$1,200	\$0.61	0	\$0	0.0%	50.5%	\$0	0.0%
Oneida	Vernon	\$2,000	\$0.37	3	\$1	0.1%	14.1%	\$0	0.0%
Oneida	Verona	\$3,452	\$0.53	52	\$28	0.8%	7.2%	\$2	0.1%
Oneida	Vienna	\$5,565	\$0.95	0	\$0	0.0%	40.3%	\$0	0.0%
	<b>Subtotal - Oneida</b>	<b>\$12,217</b>		<b>64</b>	<b>\$29</b>			<b>\$2</b>	
Oneida	County	\$158,064,112	\$672.72	62	\$41,467	0.0%	21.5%	\$8,930	0.0%
Madison	County	\$30,126,231	\$427.89	239	\$102,389	0.3%	32.3%	\$33,097	0.1%
<b>Total</b>		<b>\$188,252,370</b>			<b>\$143,976</b>			<b>\$42,069</b>	

Source: New York State Office of the State Comptroller.



**Table 3.7-131  
Nation's Share of Culture and Recreation Spending, 2005 (in 2004 Dollars)**

		(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)	(Col. 8)
County	Municipality	Spending	Per Capita	Nation Population	Nation Need	Nation Need Share	Property Tax Contribution	Adjusted Nation Need	Nation Share
Madison	City of Oneida	\$867,128	\$78.99	163	\$12,851	1.5%	18.5%	\$2,373	0.3%
Madison	Village of Canastota	\$217,047	\$48.56	6	\$304	0.1%	36.0%	\$109	0.1%
Madison	Cazenovia	\$52,696	\$7.79	0	\$0	0.0%	65.4%	\$0	0.0%
Madison	Fenner	\$4,968	\$2.96	0	\$0	0.0%	58.1%	\$0	0.0%
Madison	Lenox	\$60,236	\$6.81	23	\$155	0.3%	63.7%	\$99	0.2%
Madison	Lincoln	\$8,458	\$4.51	10	\$46	0.5%	77.7%	\$36	0.4%
Madison	Smithfield	\$4,600	\$3.76	0	\$0	0.0%	78.4%	\$0	0.0%
Madison	Stockbridge	\$11,570	\$5.52	34	\$188	1.6%	62.1%	\$116	1.0%
Madison	Sullivan	\$531,807	\$35.05	3	\$119	0.0%	75.1%	\$90	0.0%
	<b>Subtotal - Madison</b>	\$1,758,510		239	\$13,663			\$2,823	
Oneida	City of Sherrill	\$251,523	\$80.46	9	\$735	0.3%	22.7%	\$167	0.1%
Oneida	Village of Sylvan Beach	\$76,914	\$71.15	0	\$0	0.0%	33.9%	\$0	0.0%
Oneida	Village of Vernon	\$89,684	\$76.13	0	\$0	0.0%	21.3%	\$0	0.0%
Oneida	Augusta	\$9,710	\$4.92	0	\$0	0.0%	50.5%	\$0	0.0%
Oneida	Vernon	\$17,995	\$3.31	3	\$9	0.1%	14.1%	\$1	0.0%
Oneida	Verona	\$23,536	\$3.61	52	\$189	0.8%	7.2%	\$14	0.1%
Oneida	Vienna	\$27,992	\$4.77	0	\$0	0.0%	40.3%	\$0	0.0%
	<b>Subtotal - Oneida</b>	\$497,354		64	\$934			\$182	
Oneida	County	\$2,775,316	\$11.81	62	\$728	0.0%	21.5%	\$157	0.0%
Madison	County	\$536,529	\$7.62	239	\$1,823	0.3%	32.3%	\$589	0.1%
<b>Total</b>		<b>\$5,567,709</b>			<b>\$17,149</b>			<b>\$3,751</b>	

Source: New York State Office of the State Comptroller.



**Table 3.7-132**  
**Nation's Share of Home and Community Services, 2005 (in 2004 Dollars)**

		(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)	(Col. 8)
County	Municipality	Spending	Per Capita	Nation Population	Nation Need	Nation Need Share	Property Tax Contribution	Adjusted Nation Need	Nation Share
Madison	City of Oneida	\$4,260,346	\$78.99	163	\$12,851	0.3%	18.5%	\$2,373	0.1%
Madison	Village of Canastota	\$888,622	\$48.56	6	\$304	0.0%	36.0%	\$109	0.0%
Madison	Cazenovia	\$122,109	\$7.79	0	\$0	0.0%	65.4%	\$0	0.0%
Madison	Fenner	\$9,765	\$2.96	0	\$0	0.0%	58.1%	\$0	0.0%
Madison	Lenox	\$184,802	\$6.81	23	\$155	0.1%	63.7%	\$99	0.1%
Madison	Lincoln	\$9,552	\$4.51	10	\$46	0.5%	77.7%	\$36	0.4%
Madison	Smithfield	\$13,905	\$3.76	0	\$0	0.0%	78.4%	\$0	0.0%
Madison	Stockbridge	\$114,965	\$5.52	34	\$188	0.2%	62.1%	\$116	0.1%
Madison	Sullivan	\$644,817	\$35.05	3	\$119	0.0%	75.1%	\$90	0.0%
	<b>Subtotal - Madison</b>	\$6,248,883		239	\$13,663			\$2,823	
Oneida	City of Sherrill	\$2,346,729	\$80.46	9	\$735	0.0%	22.7%	\$167	0.0%
Oneida	Village of Sylvan Beach	\$290,851	\$71.15	0	\$0	0.0%	33.9%	\$0	0.0%
Oneida	Village of Vernon	\$519,034	\$76.13	0	\$0	0.0%	21.3%	\$0	0.0%
Oneida	Augusta	\$25,657	\$4.92	0	\$0	0.0%	50.5%	\$0	0.0%
Oneida	Vernon	\$156,702	\$3.31	3	\$9	0.0%	14.1%	\$1	0.0%
Oneida	Verona	\$979,949	\$3.61	52	\$189	0.0%	7.2%	\$14	0.0%
Oneida	Vienna	\$188,069	\$4.77	0	\$0	0.0%	40.3%	\$0	0.0%
	<b>Subtotal - Oneida</b>	\$4,506,991		64	\$934			\$182	
Oneida	County	\$8,482,284	\$36.10	62	\$2,225	0.0%	21.5%	\$479	0.0%
Madison	County	\$5,563,864	\$79.02	239	\$18,910	0.3%	32.3%	\$6,112	0.1%
<b>Total</b>		<b>\$24,802,022</b>			<b>\$35,732</b>			<b>\$9,597</b>	

Source: New York State Office of the State Comptroller.



**Table 3.7-133**  
**Sewer and Water Income in Comparison to Property Tax and as**  
**Share of Total Revenues, 2004**

County	Municipality	Sewer Income	Water Income	Property Taxes	Sewer and Water/ Property Taxes Ratio	Sewer and Water as as Percentage of Revenues	Percentage of Municipality's Land Area
Madison	City of Oneida	\$1,959,288	\$2,116,145	\$2,678,424	152.2%	28.1%	7.4%
Madison	Village of Canastota	\$1,036,482	\$0	\$1,307,578	79.3%	28.5%	10.7%
Madison	Cazenovia	\$0	\$22,383	\$1,163,058	1.9%	1.3%	0.0%
Madison	Fenner	\$0	\$0	\$397,971	0.0%	0.0%	0.1%
Madison	Lenox	\$4,801	\$107,305	\$1,092,075	10.3%	6.5%	3.5%
Madison	Lincoln	\$0	\$0	\$462,825	0.0%	0.0%	2.3%
Madison	Smithfield	\$0	\$0	\$368,831	0.0%	0.0%	1.9%
Madison	Stockbridge	\$0	\$84,036	\$396,801	21.2%	13.1%	17.8%
Madison	Sullivan	\$0	\$0	\$3,356,541	0.0%	0.0%	0.4%
Oneida	City of Sherrill	\$229,586	\$0	\$925,767	24.8%	5.6%	0.3%
Oneida	Village of Sylvan Beach	\$269,116	\$5,559	\$487,209	56.4%	19.1%	1.5%
Oneida	Village of Vernon	\$303,973	\$398,822	\$276,840	253.9%	54.0%	1.8%
Oneida	Augusta	\$0	\$0	\$405,184	0.0%	0.0%	1.5%
Oneida	Vernon	\$0	\$26,274	\$201,297	13.1%	1.8%	7.8%
Oneida	Verona	\$298,325	\$419,181	\$252,651	284.0%	20.3%	19.4%
Oneida	Vienna	\$0	\$41,582	\$871,946	4.8%	1.9%	0.0%
Oneida		\$6,540,513	\$0	\$60,094,162	10.9%	2.3%	1.4%
Madison		\$411,498	\$0	\$25,982,446	1.6%	0.5%	1.4%

Source: New York State Office of the State Comptroller.

**Table 3.7-134**  
**Nation's Share of County Education Spending, 2005**  
**(in 2004 Dollars)**

		(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)	(Col. 8)
<b>County</b>		<b>Spending</b>	<b>Per Capita</b>	<b>Nation Population</b>	<b>Nation Need</b>	<b>Nation Need Share</b>	<b>Property Tax Contribution</b>	<b>Adjusted Nation Need</b>	<b>Nation Share</b>
Oneida		\$17,608,632	\$74.94	62	\$4,619	0.0%	21.5%	\$995	0.0%
Madison		\$3,221,348	\$45.75	239	\$10,948	0.3%	32.3%	\$3,539	0.1%
Total - Two Counties		\$20,829,980		301	\$15,568			\$4,534	

Source: New York State Office of the State Comptroller.

**Table 3.7-135  
Nation's Share of General Government Spending, 2005 (in 2004 Dollars)**

County	Municipality	(Col. 1) Spending	(Col. 2) Per FTEP	(Col. 3) Nation Full-Time Equivalent Population	(Col. 4) Nation Need	(Col. 5) Nation Need Share	(Col. 6) Property Tax Contribution	(Col. 7) Adjusted Nation Need	(Col. 8) Nation Share
Madison	City of Oneida	\$1,176,913	\$95.78	321	\$30,776	2.6%	18.5%	\$5,683	0.5%
Madison	Village of Canastota	\$387,082	\$84.56	10	\$870	0.2%	36.0%	\$313	0.1%
Madison	Cazenovia	\$264,075	\$38.09	0	\$0	0.0%	65.4%	\$0	0.0%
Madison	Fenner	\$92,639	\$65.03	0	\$0	0.0%	58.1%	\$0	0.0%
Madison	Lenox	\$519,854	\$57.84	25	\$1,421	0.3%	63.7%	\$904	0.2%
Madison	Lincoln	\$91,696	\$55.71	13	\$733	0.8%	77.7%	\$570	0.6%
Madison	Smithfield	\$89,572	\$84.61	0	\$0	0.0%	78.4%	\$0	0.0%
Madison	Stockbridge	\$93,938	\$47.23	29	\$1,375	1.5%	62.1%	\$854	0.9%
Madison	Sullivan	\$1,291,677	\$92.95	3	\$265	0.0%	75.1%	\$199	0.0%
	<b>Subtotal - Madison</b>	\$4,007,446		401	\$35,440			\$8,523	
Oneida	City of Sherrill	\$608,707	\$177.99	15	\$2,664	0.4%	22.7%	\$606	0.1%
Oneida	Village of Sylvan Beach	\$193,692	\$160.58	0	\$0	0.0%	33.9%	\$0	0.0%
Oneida	Village of Vernon	\$105,861	\$95.59	0	\$0	0.0%	21.3%	\$0	0.0%
Oneida	Augusta	\$119,917	\$64.22	0	\$0	0.0%	50.5%	\$0	0.0%
Oneida	Vernon	\$353,572	\$68.97	12	\$840	0.2%	14.1%	\$119	0.0%
Oneida	Verona	\$765,648	\$112.27	3,520	\$395,133	51.6%	7.2%	\$28,257	3.7%
Oneida	Vienna	\$298,022	\$56.09	0	\$0	0.0%	40.3%	\$0	0.0%
	<b>Subtotal - Oneida</b>	\$2,445,419		3,547	\$398,637			\$28,982	
Oneida		\$31,041,484	\$80.40	3,547	\$285,207	0.9%	21.5%	\$61,422	0.2%
Madison		\$9,919,126	\$148.06	398	\$58,980	0.6%	32.3%	\$19,065	0.2%
<b>Total</b>		<b>\$47,413,475</b>			<b>\$778,265</b>			<b>\$117,992</b>	

Source: New York State Office of the State Comptroller.



**Table 3.7-136  
Nation's Share of Transportation Spending, 2005**

County	Municipality	(Col. 1) Spending	(Col. 2) Nation Trip Generation Share	(Col. 3) Nation Need	(Col. 4) Property Tax Contribution	(Col. 5) Adjusted Nation Need	(Col. 6) Nation Share Spending
Madison	City of Oneida	\$1,716,854	2.07%	\$35,524	18.5%	\$6,560	0.4%
Madison	Village of Canastota	\$652,882	6.21%	\$40,550	36.0%	\$14,580	2.2%
Madison	Cazenovia	\$1,878,796	0.02%	\$362	65.4%	\$236	0.0%
Madison	Fenner	\$436,059	0.05%	\$202	58.1%	\$118	0.0%
Madison	Lenox	\$563,513	0.95%	\$5,335	63.7%	\$3,396	0.6%
Madison	Lincoln	\$278,720	0.25%	\$703	77.7%	\$546	0.2%
Madison	Smithfield	\$267,668	0.54%	\$1,448	78.4%	\$1,135	0.4%
Madison	Stockbridge	\$429,895	1.15%	\$4,962	62.1%	\$3,080	0.7%
Madison	Sullivan	\$1,472,218	0.01%	\$175	75.1%	\$131	0.0%
	<b>Subtotal - Madison</b>	<b>\$7,696,605</b>		<b>\$89,260</b>		<b>\$29,781</b>	
Oneida	City of Sherrill	\$478,895	3.65%	\$17,480	22.7%	\$3,975	0.8%
Oneida	Village of Sylvan Beach	\$300,416	3.33%	\$10,006	33.9%	\$3,393	1.1%
Oneida	Village of Vernon	\$80,085	0.20%	\$163	21.3%	\$35	0.0%
Oneida	Augusta	\$666,595	0.00%	\$0	50.5%	\$0	0.0%
Oneida	Vernon	\$700,842	3.71%	\$25,987	14.1%	\$3,675	0.5%
Oneida	Verona	\$799,305	54.79%	\$437,963	7.2%	\$31,320	3.9%
Oneida	Vienna	\$1,155,173	0.00%	\$0	40.3%	\$0	0.0%
	<b>Subtotal - Oneida</b>	<b>\$4,181,311</b>		<b>\$491,599</b>		<b>\$42,398</b>	
Oneida		\$30,000,198	1.43%	\$427,996	21.5%	\$92,172	0.3%
Madison		\$13,347,265	0.79%	\$105,875	32.3%	\$34,223	0.3%
<b>Total</b>		<b>\$55,225,379</b>		<b>\$1,114,730</b>		<b>\$198,575</b>	

Source: New York State Office of the State Comptroller.

**Summary**

Under the Indian Gaming Regulatory Act (IGRA), an Indian Casino cannot be taxed, nor is a Tribe allowed to make payments in lieu of taxes, but only may pay mitigation for actual impacts. This section seeks to first determine the cost of services resulting from the Nation's enterprises. The estimated level of Nation's costs by each functional category and jurisdiction that are attributable to the property tax is summarized and reported in Table 3.7-137.

The total cost estimate and the respective individual cost estimates per functional category and jurisdiction should be interpreted as giving an "order-of-magnitude" estimate of the size and types of cost incidence resulting from the Nation's use of county and local services. The allocation methods used to estimate the actual cost of government services by government jurisdiction that are described in this section do not use the value of property as a "proxy" for assigning costs. As can be seen in this section, the value of property is not necessarily a good indicator of the costs of services required of that property from county or local governments.

The section considers the Nation's demand for local government services for all the jurisdictions for which the Nation has land holdings. The analytical methods used here provide a means for considering the types of governmental services and specific communities that are more likely to be affected by the Nation's activities. These communities would appear to be the Town of Verona, the City of Oneida, Village of Canastota along with Oneida and Madison Counties. Additionally, the Stockbridge Valley Central School District and the Oneida School District appear to be more affected by the current enrollment patterns, requiring local funding of students.

Along with other discussions in this Draft EIS, this section has described the Nation's approach to payment for the costs of services required. The Nation has indicated that it recognizes that it uses many of the services of county and local jurisdictions in which it owns property. In fact, the Nation and locally affected jurisdictions have signed service agreements in the past as a means for reimbursing local governments for their use of services required. The Nation has indicated a continued willingness to enter into service agreements in the future.

Additionally, other sections of this report describe several linkages between the economic activities of the Nation and the generation of revenues for local government. The Nation's governmental activities and the success of some its enterprises may also mitigate the demand for local government services (e.g., education, health, social services).

**Table 3.7-137**  
**Summary of Nation's Share of County and Local Spending, 2005 (in 2004 Dollars)**

County	Municipality	General Govt.	Public Safety	Health	Transport	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	\$5,683	\$20,614	\$268	\$6,560	\$3	\$2,373	\$2,373	\$0	\$6,229	\$44,102
Madison	Village of Canastota	\$313	\$742	\$13	\$14,580	\$14	\$109	\$109	\$0	\$2,177	\$18,057
Madison	Cazenovia	\$0	\$0	\$0	\$236	\$0	\$0	\$0	\$0	\$1	\$237
Madison	Fenner	\$0	\$0	\$0	\$118	\$0	\$0	\$0	\$0	\$0	\$118
Madison	Lenox	\$904	\$266	\$90	\$3,396	\$20	\$99	\$99	\$0	\$704	\$5,577
Madison	Lincoln	\$570	\$700	\$44	\$546	\$0	\$36	\$36	\$0	\$10	\$1,941
Madison	Smithfield	\$0	\$0	\$0	\$1,135	\$0	\$0	\$0	\$0	\$58	\$1,193
Madison	Stockbridge	\$854	\$246	\$1	\$3,080	\$3	\$116	\$116	\$0	\$149	\$4,566
Madison	Sullivan	\$199	\$99	\$16	\$131	\$0	\$90	\$90	\$0	\$47	\$672
	<b>Subtotal - Madison</b>	<b>\$8,523</b>	<b>\$22,667</b>	<b>\$430</b>	<b>\$29,781</b>	<b>\$40</b>	<b>\$2,823</b>	<b>\$2,823</b>	<b>\$0</b>	<b>\$9,375</b>	<b>\$76,463</b>
Oneida	City of Sherrill	\$606	\$495	\$0	\$3,975	\$0	\$167	\$167	\$0	\$171	\$5,581
Oneida	Village of Sylvan Beach	\$0	\$0	\$0	\$3,393	\$0	\$0	\$0	\$0	\$1,489	\$4,882
Oneida	Village of Vernon	\$0	\$0	\$0	\$35	\$0	\$0	\$0	\$0	\$8	\$42
Oneida	Augusta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oneida	Vernon	\$119	\$44	\$1	\$3,675	\$0	\$1	\$1	\$0	\$0	\$3,842
Oneida	Verona	\$28,257	\$561	\$81	\$31,320	\$2	\$14	\$14	\$0	\$533	\$60,782
	<b>Subtotal - Oneida</b>	<b>\$28,982</b>	<b>\$1,100</b>	<b>\$81</b>	<b>\$42,398</b>	<b>\$2</b>	<b>\$182</b>	<b>\$182</b>	<b>\$0</b>	<b>\$2,200</b>	<b>\$75,128</b>
Oneida	County	\$61,422	\$99,619	\$61,422	\$92,172	\$8,930	\$157	\$479	\$995	\$11,115	\$336,311
Madison	County	\$19,065	\$15,653	\$19,065	\$34,223	\$33,097	\$589	\$6,112	\$3,539	\$2,103	\$133,447
	<b>Total - County and Local</b>	<b>\$117,992</b>	<b>\$139,040</b>	<b>\$80,999</b>	<b>\$198,575</b>	<b>\$42,069</b>	<b>\$3,751</b>	<b>\$9,597</b>	<b>\$4,534</b>	<b>\$24,792</b>	<b>\$621,348</b>
	<b>School District:</b>										
	Oneida								\$154,778		\$154,778
	Stockbridge								\$52,091		\$52,091
	<b>Subtotal - Schools</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$206,869</b>	<b>\$0</b>	<b>\$206,869</b>
	<b>Total</b>	<b>\$117,992</b>	<b>\$139,040</b>	<b>\$80,999</b>	<b>\$198,575</b>	<b>\$42,069</b>	<b>\$3,751</b>	<b>\$9,597</b>	<b>\$211,403</b>	<b>\$24,792</b>	<b>\$828,217</b>

**Transportation - State Roads**

To assess the fiscal impact of the Nation on state transportation infrastructure, a framework was created to estimate the magnitude of Nation impacts on the region's (New York State Region 2) roadways. To this end, a trip generation analysis, traffic volume analysis, a roadway capacity inventory and cost estimate provides a basis for measuring fiscal burdens. Table 3.7-138 shows traffic volumes associated with Nation land. Table 3.7-139 provides an inventory of area roadway mileages by jurisdiction. Table 3.7-140 calculates the share of fiscal burden attributable to the Nation based on estimated costs per centerline mile.

**Table 3.7-138  
Traffic Volume Estimates for Oneida Nation Operations**

(Col.1) TAZ ID	(Col. 2) Peak Hour Volumes on Major Roadway	(Col.3) Volumes Generated by Nation Lands	(Col.4) Major Roadway Associated With TAZ	(Col.5) Associated Towns, Villages or Cities	(Col. 6) Length in Segment in TAZ (miles)	(Col.7) % of Major Roadway Volumes Associated with Nation Lands	(Col.8) Nation's Estimated Share of Roadway (miles)
1	2086	1550	NYS RT 365	Verona	3.7	74%	2.7
2	536	1	NYS RT 31	Verona	3.9	0%	0.0
3	536	104	NYS RT 31	Verona	3.8	19%	0.7
4		0	N/A	N/A	N/A	0%	N/A
5	536	2	NYS RT 31	Verona	3.6	0%	0.0
6	668	255	NYS RT 13	Verona	2.0	38%	0.8
				Lenox	0.8		0.3
				Vienna	2.5		1.0
				Sylvan Beach	0.2		0.1
7	552	5	NYS RT 31	Lenox	2.5		0.03
8	856	189	NYS RT 5	Sullivan	1.5	1%	0.02
9	1186	324	NYS RT 5	Lenox	4	22%	0.9
				Oneida	3.6		1.0
10	548	167	NYS RT 46	Sherrill	2.4	27%	0.65
				Stockbridge	2.6		0.78
11	548	2	NYS RT 46	Oneida	3.4	30%	1.02
				Stockbridge	4	0%	0.0
No TAZ**		2					

Source: C&S Engineers; The Louis Berger Group.

Traffic volume studies were performed on primary roadways associated with Nation lands and activities in ten Traffic Analysis Zones (TAZs). Table 3.7-138 provides detail on the roadway segments that were analyzed and shows the adjacent jurisdictions. It provides the first step in creating a basis for estimating costs attributable to the Nation. The traffic volume analyses focused on segments of New York State Routes 365, 31, 13, 5 and 46.

These roadway segments were selected because of their proximity to Nation lands and activities, and for their role as either primary commuter or access roads for visitors to the Turning Stone Resort & Casino. The highest share of traffic attributable to the Nation occurs on NYS RT 365 in Verona, where the Nation lands were calculated to generate about 74 percent of the trips during peak hours. This segment is one of the most heavily trafficked roads in the area and is a main access route to Turning Stone Resort & Casino. The 74 percent share of trips on this roadway segment translates into about 2.7 centerline miles, which allows for the estimation of cost impacts in centerline mile terms.

Table 3.7-139 provides an additional scale for assessing the impact of Nation’s activities on the region’s roadway network. It shows the inventory of centerline highway (roadway) miles in the region by jurisdiction, including totals for local municipal (towns, villages, and cities), County and New York State Region 2 (D.O.T. and other State) mileages.

**Table 3.7-139  
Inventory of Centerline Mileage Oneida Area Jurisdictions**

Local Jurisdictions	Centerline Highway Mileage by Jurisdiction					
	Town, Village or City	County	Total Local	D.O.T. Owned	Other State	State & Local Combined
<b>Oneida County</b>						
Verona	98	35	132	31	7	171
Vienna	79	19	98	18	0	116
Sylvan Beach	10	0	10	1	0	12
Sherrill	16	0	16	2	0	18
<b>County Total</b>	1790	594	2385	421	48	2853
<b>Madison County</b>						
Lenox	33	25	58	16	4	78
Stockbridge	34	24	58	7	0	65
Sullivan	91	40	131	17	9	156
Oneida	36	0	36	4	1	42
<b>County Total</b>	836	439	1274	170	18	1463
<b>Combined County Totals</b>	2626	1033	3659	591	66	4316
<b>New York State DOT Region 2</b>	4486	2244	6729	1332	133	8194

Source: New York State Department of Transportation.  
Region 2 includes Fulton, Hamilton, Herkimer, Madison, Montgomery, and Oneida counties.  
County Totals reflect all jurisdictions within each county, not just those listed.

Most of the roadway mileage consists of local city, town or village roads. In Oneida County, for example, 83 percent of the centerline mileage in the county is made up of roads under local government jurisdiction. In Madison County, local roads make up 87 percent of the total roadway mileage. The total centerline mileage for Region 2 is shown

at the bottom of Table 3.7-139. The mileages generally match the scope of fiscal responsibility for each level of government.

**State Level Impact - Region 2**

The majority of visitors to the Turning Stone Resort and Casino travel in and out of the region on New York State roads, using the roadways listed in Table 3.7-138. Likewise, locally-based trips attributable to Nation properties are concentrated primarily on State Roads. The Nation's fiscal impact on the region's roadway operations and maintenance budgets, therefore, fall mainly on the State level.

In Table 3.7-140 the Nation's Region 2 impact is presented in cost per centerline mile terms and provides low and high scenarios. The low and high scenarios are based on five factors. First, an estimate of the cost per centerline mile for State DOT owned and operated roads in Region 2 was calculated by dividing the annual transportation maintenance and operations budget of about \$8.5 million (FY06-07) by the total mileage under State DOT jurisdiction, which is 1,332. This resulted in a cost per centerline mile of \$6,383. In the low scenario the cost per centerline mile is multiplied by the total length of the roadways studied and was then multiplied by the weighted average percent of trips attributable to the Nation over the total length (40.5 miles) of the segments. In the high scenario, the cost per centerline mile is multiplied by the entire length (226) of the studied roadways and then multiplied by half of the weighted average percent of trips attributable to the Nation.

The results in Table 3.7-140 show that the low end estimate for the Nation's attributed budgetary responsibility is 0.7 percent of Region 2's operations and maintenance budget with the high end equaling about 2.0 percent of the budget. The high-end range is very conservative and probably overstates the level of fiscal impact. Even with the weighted average percentage of trips attributable to the Nation cut in half (i.e., at a 12 percent share of traffic), the scenario still assumes this share of traffic over the entire length of the State roads (Route 5, Route 13, Route 31, Route 46, and Route 365) in Madison and Oneida Counties.

The rationale for providing this high-end estimate is solely to consider the sensitivity of costs to traffic share volumes over the approach road network. Indeed, the traffic study for this Draft EIS presents evidence that the volume of traffic declines precipitously over a 10-TAZ zonal network with increasing distance from the Turning Stone Resort & Casino. Thus, the lower range of roadway miles (i.e., 40.5 miles) is likely to be the portion of the roadway network in which Nation traffic contributes a burden.

Against these costs, there is also a positive fiscal impact to consider associated with the increased Thruway traffic occasioned by the Nation's development: the State has collected millions of dollars of additional toll revenues because of the casino.

**Table 3.7-140**  
**Estimated New York State D.O.T. Region 2 Costs Attributable to Nation Lands - High/Low Range**

Impact Scenarios	Centerline Highway Mileage	Total Transport Budget	Cost Per Centerline Mile	Length of Roadway	New York State Highways: RTs 5, 13, 31, 46, 365	% Trips Generated by Nation Lands	Estimated Cost Attributable to Oneida*	% of Total Budget
<b>Low</b>	1332	\$8,500,000	\$6,383	40.5	Traffic Study Segments	24%	\$62,041	0.7%
<b>High</b>	1332	\$8,500,000	\$6,383	226	Entire Length, Oneida & Madison Cntys.	12%	\$173,106	2.0%

Source: NYS DOT Region 2 Office; New York State Department of Transportation; The Louis Berger Group.

### 3.7.9.6 Community Comparison

The Nation’s increased ownership presence allegedly puts an unspecified burden on neighboring community jurisdictions including Madison and Oneida Counties, 15 constituent cities, towns, and villages and 7 school districts, along with other special districts (e.g., fire, library). To assess whether this claim can be substantiated, the current fiscal conditions of local governments before and after the Nation’s increased ownership were examined.

#### **Counties, Cities, Towns, and Villages**

##### Overview

According to the New York State Comptroller’s 2005 Annual Report on Local Governments, local governments in Upstate New York are facing difficult challenges. These communities have experienced a long-term population decline, due to regional job losses. This demographic trend and the recent economic slowdown, combined with the increased costs of Medicaid and employee benefits, have put many communities under a great deal of fiscal stress. (In New York State the counties are required to share responsibility for Medicare costs with the State. Attempting to balance the budget and facing stagnant property values, many local governments have resorted to increasing property tax rates. Local governments have also increased their reliance on debt, which has led outstanding debt to increase considerably.

The approach used in this section attempts to isolate the local changes faced by the neighboring communities from the broader regional trends in Upstate New York. When examining changes in the neighboring communities’ fiscal health, spending patterns and revenues, between 1990 and 2003 (before and after the bulk of the land reacquisition by the Nation took place), only changes that are different from those experienced by

comparable communities in Upstate New York could potentially be attributed to the Nation increased land ownership presence.

The analyses, which are explained in more detail below, show that neighboring communities generally did not experience a worsening of their fiscal health, a decrease in per capita revenues, or a change in per capita expenditures patterns, relative to comparable communities, after the land reacquisition by the Nation. Local governments' rankings on the fiscal health indicators that gauge their external resources, spending pressures, and long-term debt commitments generally did not change in a negative way during the analyzed time period. Local spending on those government functions that could potentially be more sensitive to the alleged non-contiguous nature of the land, such as public safety, transportation, and home and community services, generally did not increase more than in comparable communities during the 1990-2003 time period. Finally, neither Madison nor Oneida County faced relative increases in economic assistance expenditures after the Nation began reacquiring lands within their historic homeland. The number of exceptions to the general positive or stable trend is limited and cannot be attributed directly to the Nation ownership presence.

The following bullet points provide an overview of the key findings of this section and the major exceptions:

- Per capita property tax generally did not change relative to comparable communities.

The interpretation of per capita property tax revenues is ambiguous. An increase in property tax revenues denotes an increasing burden on the tax payer, which is symptomatic of decreasing fiscal health. An increase in property tax revenues is desirable, however, from the point of view of a community faced with high expenditures and low revenues from other sources or with a low property tax collection rate. Madison County experienced an increase in per capita property tax revenues during the 1990-2003 time period. The City of Sherrill, on the other hand, experienced a decrease.

- Per capita revenues from all sources did not change considerably faster than in comparable governments.

An exception to this trend is the City of Oneida, which ranked very high in terms of per capita revenues in 1990, experienced a relative decline in per capita revenues, which was partly due to unusually large health care revenues in the early 1990s. The Town of Verona, on the other hand, experienced a relative increase in per capita revenues, mainly due to an increase in revenues from other sources, which is a residual category that includes funds received from the Nation.

- Community needs, as measured by the poverty rate and spending on economic assistance, generally did not increase after the Nation's land reacquisition.

Even though several of the neighboring communities had high poverty rates, only the Village of Canastota experienced a considerable increase in its poverty rate between 1990 and 2000. While in 2003 Oneida County had relatively high economic assistance expenditures, both adjusted for population size and compared to its revenues, it exhibited the same pattern in 1990. Madison County had very low per capita economic assistance expenditures in both years. As the bulk of economic assistance spending takes place at the county level, per capita economic assistance spending at the city, town, and village level is either very low or non-existent.

- In most neighboring communities, wealth, as measured by per capita value and per capita income, increased or remained stable.

In Madison County, the City of Oneida, and the Town of Vernon per capita value increased considerably between 1990 and 2003, a trend which could potentially be attributed to the Nation's activities in the area. The only exception to the stable or increased per capita value is Oneida County, which experienced a decrease in its per capita full value. While some of the neighboring towns had per capita incomes that were substantially lower than the median, none of the neighboring communities experienced a relative decrease in per capita income between 1990 and 2000. Per capita income in Madison County and the City of Oneida actually increased, from being around the median in 1990 to ranking near the top in 2000. This positive trend could potentially be attributed to the impact of the Nation's economic activities.

- Neighboring communities generally did not increase their reliance on debt more than comparable communities.

The fiscal stress caused by growing costs and limited revenues increased the reliance on debt in many Upstate New York communities. While some neighboring communities had a high debt burden in 2003, they exhibited the same pattern in 1990. Only the Village of Vernon increased its debt service per capita considerably between 1990 and 2003. The Cities of Oneida and Sherrill, and the Towns of Stockbridge, Vernon, and Smithfield decreased their debt commitment considerably by reducing their outstanding debt and/or their debt service.

- Per capita expenditures on public safety, transportation, and home and community services generally did not change considerably.

In terms of public safety, only the Town of Smithfield increased per capita spending considerably between 1990 and 2003 while the Town of Sullivan experienced a decrease in public safety expenditures. The Village of Vernon spent relatively more on transportation in 2003 than in 1990. The City of Oneida, on the other hand, decreased its per capita transportation spending during the time period. At the same time, the City of Oneida increased its per capita spending on home and community services. The Village of Canastota decreased its per capita home and community services expenditures.

*Detailed methodology and findings*

To examine the counties and municipalities' fiscal condition, a set of fiscal health indicators for 1990 and 2003 were calculated. These indicators provide information about the localities' fiscal capacity (or their external resources), their current spending pressure, and their long-term commitments. To obtain a more in depth look into the neighboring communities' fiscal condition, spending patterns and revenue sources have been examined including per capita expenditures and revenue metrics for both years. Because changes could have occurred in intermediate years, per capita expenditures and revenue metrics have been compiled for several years (See Appendix A for 1992, 1994, 1996, 1998, 2000, and 2002 Tables). Local fiscal data has been gathered from the New York State Office of the State Comptroller except the data from the Town of Verona which was collected directly from the Town and categorized using the Comptroller's template because the Town of Verona failed to report its budget information within the required time period to the New York State Comptroller's Office for 2002 and 2003. Population data has been compiled from the U.S. Bureau of Census. Table 3.7-141 provides definitions and criteria for a series of fiscal indicators.

To take into account the reality that changes in a local government's fiscal condition can be caused by a multitude of "external" factors such as broader regional economic trends and changes in Federal or State laws and regulations, each neighboring community was ranked among comparable municipalities throughout Upstate New York. Comparing a neighboring community's ranking in terms of per capita revenue and expenditures and other fiscal health indicators in 1990 with its ranking in 2003 enables assessment of changes that are likely to be attributable to local causes. In other words, only those changes that were different from the changes that comparable municipalities exhibited during the same period (and thus led to a change in the neighboring community's relative ranking) could potentially be attributable to the Nation's reacquisition program during that time. All changes discussed in this report refer to a change in the neighboring community's ranking relative to comparable communities and do not indicate a change in the absolute value of the indicator. For example, if Municipality A's per capita property tax burden was \$200 in 1990 and \$180 in 2003 and it was ranked in the 10th percentile in 1990 and in the 50th percentile in 2003, Municipality A's fiscal health worsened between 1990 and 2003 relative to comparable communities even though the value of its per capita property tax burden decreased. (Because of this approach, we did not need to adjust the dollar amounts for inflation.)

Comparable communities were selected based on their geographic location, population size, and population growth rate. Because each class of local government has distinct responsibilities, separate analyses were conducted for counties, cities, towns, and villages. Madison and Oneida County were compared with a group of 22 Upstate counties with a similar population size and growth rate. The City of Oneida and Sherrill were ranked

among 43 comparable cities. Towns and villages in which the Nation owns land were compared to a group of 580 and 177 communities, respectively.

**Table 3.7-141**  
**Fiscal Health Indicators for Comparative Analysis**

Fiscal health indicators were calculated (indicator selection based on Miller, G. (2002)) to assess the locality's available external resources, its spending pressures, and its long-term commitments.

#### 1. Available External Resources

This report discusses four indicators of the current and future external resources that are available to the locality. The first indicator, *per capita property tax revenues*, provides a partial view of the current real property tax burden on the taxpayer. (Per capita overlapping property tax revenues - property taxes paid by local taxpayers to all jurisdictions - would give a more complete view but was not calculated due to a lack of 1990 data.) The *intergovernmental revenues as a percent of total revenues* indicator illustrates the local government's current dependence on revenues from other governments, which is revenue over which it has no direct control. Finally, *per capita full value* (which is the value of all taxable property in the locality divided by population) and *per capita income* are used as indicators of the community's wealth and its current and future ability to generate revenues.

#### 2. Spending Pressures

Three indicators gauge the spending pressures faced by the locality. First, *operating expenditures as a proportion of total revenues* compares the existing revenues with the amount required for daily operations such as personnel and supplies. The *poverty rate* gives information about the residents' need for government services. For counties, *the economic assistance as a percent of total expenditures* indicator examines the degree to which the locality's spending is concentrated in services that promote the locality's economic welfare, such as Medicaid and Temporary Assistance for Needy Families (TANF).

#### 3. Long-term Commitments

The locality's long-term commitments in terms of debt are assessed using three indicators. *Per capita debt service* adjusts the principal and interest payments for bonds and notes by population. *Outstanding debt as a percent of full valuation* compares all of the debt that is outstanding at the end of the year to the total value of taxable property in the locality. The *outstanding debt that is subject to the constitutional debt limit, as a percent of that limit*, provides an indication of the local government's remaining debt capacity. Long-term commitments such as pension agreements and paid vacation are not included in this analysis because this information is not included in the Comptroller's Office data set.

For all of these indicators, except per capita income and per capita full value, a lower percentage or value is more desirable than a higher one.

#### PER CAPITA EXPENDITURES

Per capita expenditures were broken down into the following categories: general government, health, public safety, economic assistance, culture and recreation, home and community services and debt service. The New York State Comptroller's Office definitions of these categories can be found in Appendix E.

#### PER CAPITA REVENUES

Per capita revenues were broken down by the following sources: property tax, non-property tax, intergovernmental revenues, interest earnings, other revenues.

For each class, the report includes the following three tables: (1) fiscal health indicators; (2) per capita expenditures calculations; and (3) per capita revenue calculations. Each table specifies the criteria used to select the comparable communities. The tables are located at the end of each section. The results of the analyses are discussed below.

*Counties*

As part of the fiscal health indicator analysis, presented in Table 3.7-141 and discussed in detail below, Madison and Oneida County were ranked among a group of 22 Upstate New York counties with a population size between 50,000 and 300,000 in 2003 and an average annual growth rate of -1% to +0.1% during the last decennium. Tables 3.7-142 and 3.7-143 present per capita expenditures and revenues metrics for Madison and Oneida Counties as well as their rankings among comparable counties.

**Madison County**

The Nation currently owns about 6,594 acres of land in Madison County, which is 1.5 percent of the County's total land area. The land and its improvements account for approximately 1.4 percent of the value of all real property in Madison. The land holdings are located in the Town of Stockbridge, in the City of Oneida, and in seven other constituent towns and villages.

**Available External Resources** - Madison County had a relatively strong resource base in 2003. The County relied very little on intergovernmental revenues in 1990 and 2003. Improvements in 2003 included an increase in per capita income and per capita full value, which could potentially be attributed to the Nation's economic activities within the county. The property tax burden, however, became larger during this time period with per capita property tax revenues increasing from 38th percentile in 1990 to the 70th percentile in 2003. Because the data do not distinguish between residential and non-residential sources of property tax, we cannot know whether the increase in per capita property tax translates into a property tax burden for the residents. According to the New York State Office of Real Property Services (ORPS), 62 percent of the County's property tax revenues in 2003 came from residential tax payers. A breakdown by source of the 1990 property tax revenues is not available from ORPS. (See Table 3.7-142) (Biennial data shows that the real property tax burden increase occurred between 2000 and 2002.)

**Spending Pressures** - With the exception of high operating expenditures, Madison County's spending pressures were relatively low in both 1990 and 2003 as the County had a low poverty rate in both 1990 and 2000 and spent a relatively small part of its revenues on economic assistance.

**Long-term Commitments** - Madison County scored relatively well in terms of long-term spending commitments in both 1990 and 2003. Debt was low compared to its full valuation in both years. While Madison still ranked around the middle of the range in terms of per capita debt service and debt to debt limit ratio in 2003, its situation was better in 1990. (A closer look at per capita debt service throughout the time period shows that the County's debt service burden fluctuated over time without a clear pattern.)

**Per Capita Revenues and Expenditures** - Per capita expenditures and revenues in Madison County were low in both 1990 and 2003 and in each of the intermittent years included in the study. Disaggregating expenditures by function shows that Madison County spent more than the majority of comparable counties on home and community services (which includes utilities and other community services, such as garbage collection and housing and community development) and spent relatively little on economic assistance in both 1990 and 2003.

**Oneida County**

The Nation started to reacquire land in Oneida County in 1992, with the most valuable transactions taking place in 1998. Currently, the total acreage of land holdings in Oneida County is 10,776 acres or 1.3 percent of the County's land area. The land is concentrated in the Town of Verona where the Nation owns 8,550 acres of land that include the Turning Stone Resort & Casino buildings and grounds. Other constituents with the Nation's land holdings are the City of Sherrill and five of Oneida County's towns and villages. The Nation does not own land in the Cities of Utica and Rome, which together accounted for forty percent of Oneida County's population in 2000.

Oneida County's fiscal health was worse than Madison County's in both 1990 and 2003 but improved over time.

**Available External Resources** - While Oneida County did not have substantial external resources in 1990, its resource base was weaker still in 2003. In both years, the County heavily relied on intergovernmental revenues. However, county tax payers had low property tax burdens throughout this time period and Oneida County ranked around the middle in terms of per capita income in both years. Oneida County's ranking in terms of per capita full value decreased after 1998 and the County scored low on this indicator in 2003. The decrease in the per capita full value coincided with the purchase of valuable land holdings by the Nation. However, as these properties remained on the tax rolls, the decrease in per capita full value cannot be attributed to the Nation.

**Spending Pressures** - Oneida County used a high proportion of its revenues for economic assistance in both 1990 and 2003. Data for intermittent years show a decrease in per capita spending on economic assistance that started in the mid-1990s and continued to 2002. While Oneida scored well in terms of the percent of its revenues that it uses to cover its operating expenditures in 1990, it was ranked more in the middle of the range in 2003. The County's poverty rate was relatively close to the median in both years.

**Long-term Commitments** - In both 1990 and 2003, Oneida County had relatively high long-term commitments with its outstanding debt being large compared to its full valuation and its debt limit. Oneida County's per capita debt service was relatively high in 1990 but ranked more around the middle of the range in 2003. This decrease was,

however, not part of a steady trend as debt service per capita fluctuated throughout the 1990-2003 time period.

**Per Capita Revenues and Expenditures** - Oneida County ranked relatively low in terms of per capita spending and revenues in both 1990 and 2003 with some fluctuation in intermittent years. The County had relatively high per capita economic assistance expenditures in both years and received a relatively high proportion of its income from other governments.

### Cities

The City of Oneida and the City of Sherrill, the two cities in which the Nation owns land, as well as Utica and Rome, the two other cities in Oneida County, were ranked as part of a group of 43 cities with comparable characteristics for the fiscal health indicator analysis presented in Table 3.7-145 and discussed below. All cities included in this analysis had a population of less than 65,000 in 2003 and grew at an average annual rate between -1% and +1.5% during the 1990-2000 time period. Tables 3.7-146 and 3.7-147 show the cities' rankings in terms of per capita expenditures and revenues among other Central New York cities.

### **City of Oneida**

The Nation's land holdings of 1,046 acres within the City of Oneida account for 7.5 percent of the City's total land area. The land and improvements represent 5.8 percent of the City's tax base.

**Available External Resources** - The City of Oneida exhibited a very strong resource base in both 1990 and 2003. The City had relatively high level of wealth, especially in 2003 when it ranked near the top both in terms of per capita income and per capita full value. This increase in wealth could potentially be associated with the impact of the Nation's economic activities. The City also kept its property tax burden low throughout the 1990-2003 time period. While the City of Oneida received a very small share of its revenues from other governments in 1990, in 2003 the City ranked more in the middle for this indicator.

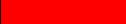
**Spending Pressures** - Spending pressures eased in the City of Oneida between 1990 and 2003 as operating expenditures claimed a smaller part of total revenues. Relative to comparable cities, the City had a relatively low poverty rate in both years.

**Table 3.7-142**  
**Fiscal Health Indicators for Counties with Nation Land**

			Available External Resources				Spending Pressures			Long-term Commitments		
			Per Capita Property Tax Revenues (\$)	Intergovernmental Revenues as % of Total Revenues	Per Capita Income (\$)	Per Capita Full Valuation (\$)	Operating Expenditures as % of Total Revenues	Poverty Rate	Economic Assistance Expenditures as % of Total Revenues	Per Capita Debt Service (\$)	Outstanding Debt as % of Full Valuation	Outstanding Debt Subject to Constitutional Debt Limit as % of Debt Limit
Madison	1990	value	178	32.4%	12,334	20,719	100.0%	9.2%	31.7%	14	0.4%	7.5%
		share	0.38	0.09	0.61	0.57	0.80	0.09	0.04	0.28	0.19	0.28
	2003	value	343	33.34%	19,105	35,384	97.7%	9.8%	37.7%	23	0.3%	4.9%
		share	0.70	0.05	0.75	0.70	0.70	0.15	0.05	0.45	0.15	0.35
Oneida	1990	value	129	46.8%	12,227	19,326	89.6%	11.9%	50.3%	45	1.5%	18.3%
		share	0.19	0.95	0.57	0.42	0.23	0.66	0.90	0.85	0.90	0.85
	2003	value	248	47.0%	18,516	29,005	97.3%	13.0%	54.5%	35	1.2%	16.7%
		share	0.15	1.00	0.65	0.10	0.60	0.55	1.00	0.55	0.80	0.80

Source: The Louis Berger Group, Inc.; Office of the New York State Comptroller; US Bureau of Census.

Note: Per capita income and poverty rates were calculated for 1990 and 2000.

Criteria met by counties included in this analysis:		Number of counties included in this analysis:		Legend	
Geographic:	Upstate NY	1990	22		Better than Most (ranks in top 33%)
Population Size in 2003:	50,000-300,000	2003	22		Middle of the Range (34th to 66th percentile)
1990-2000 Growth:	minus 1% plus 0.1%				Worse than Most (ranks in bottom 33%)

**Table 3.7-143**  
**Per Capita Expenditures in Counties with Nation Land**

Per Capita Expenditures (\$) in Counties with Nation Land compared to the Central New York Region <sup>1</sup> (N=15)										
		Total Spending per Capita	Expenditures by function						Debt Service Per Capita	
			General Government	Public Safety	Health	Trans- portation	Economic Assistance	Culture Recreation		Home and Community
Madison	1990 value	652	71	47	118	106	190	4	70	14
	share	0.14	0.28	0.14	0.71	0.50	MIN.	0.21	0.85	0.14
	2003 value	1,063	125	109	135	153	396	6	66	23
	share	0.00	0.21	0.14	0.36	0.43	0.07	0.29	0.64	0.43
Oneida	1990 value	671	60	47	69	49	335	6	22	45
	share	0.21	0.00	0.21	0.35	MIN.	0.71	0.57	0.28	0.85
	2003 value	1,225	127	126	85	98	636	13	34	35
	share	0.21	0.29	0.29	0.07	0.14	0.71	0.64	0.07	0.64

Source: The Louis Berger Group, Inc.; New York State Office of the State Comptroller.  
MIN indicates minimum value, meaning that the community ranked the lowest.  
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Schoharie, and Tioga.

**Table 3.7-144**  
**Per Capita Revenues in Counties with Nation Land**

Per Capita Revenues (\$) in Counties with Nation Land compared to the Central New York Region <sup>1</sup> (N=15)							
		Per Capita Total Revenues	Per Capita Real Property Taxes	Per Capita Non-Property Taxes	Per Capita Intergov. Transfer	Per Capita Interest Earnings	Per Capita Other Revenues
Madison	1990 value	599	178	71	194	9	147
	share	0.07	0.28	0.07	0.00	0.21	0.64
	2003 value	1,051	343	115	350	4	238
	share	MIN	0.50	MIN	MIN	0.21	0.35
Oneida	1990 value	665	129	107	311	4	114
	share	0.28	0.00	0.35	0.78	0.00	0.35
	2003 value	1,166	248	247	549	3	120
	share	0.21	0.07	0.57	0.78	MIN	MIN

Source: The Louis Berger Group, Inc.; New York State Office of the State Comptroller  
MIN indicates minimum value, meaning that the community ranked the lowest.  
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Schoharie, and Tioga.

**Long-term Commitments** - While the City had heavy long-term commitments in 1990, its situation had improved by 2003 when outstanding debt had become considerably lower relative to full valuation and to the City’s debt limit. Per capita debt service was high in 1990 and 2003 and in each of the intermittent years included in this report.

**Per Capita Revenues and Expenditures** - The City of Oneida experienced a relative decline in terms of per capita expenditures and revenues, partly due to its unusually large health care expenditures (and corresponding revenues) in the first half of the 1990s. As these expenditures had disappeared by 1996, the City’s per capita revenue and expenditures became more similar to that of comparable cities and was ranked near the middle of the range in 2003. The City of Oneida spent little on public safety in both 1990 and 2003. While the City had high per capita expenditures on transportation in 1990, its spending level was below the median in 2003. (The decrease, however, was not part of a steady decreasing trend during the time period.) Per capita expenditures on home and community services increased to a relatively high level after 1998.

**City of Sherrill**

The Nation currently owns six acres of land in Sherrill, which is 0.5 percent of the City’s total land area. The valuation of real property owned by the Nation represents 1.1 percent of the value of all taxable property within the City. Most of the land was acquired in 1997 and 1998, with only one purchase in 2002.

**Available External Resources** - Sherrill had a very strong resource base in both 1990 and 2003 with high per capita incomes and full valuation, and a low reliance on intergovernmental revenues. While Sherrill's property tax burden was around the middle of the range in 1990, it was low in 2003. The decrease started in the mid-1990s, before the Nation acquired the land. While the decrease continued in later years, the Nation's increased ownership presence was not a major factor in the decline of Sherrill's property tax burden ranking as the magnitude of the uncollected property taxes on the Nation's land holdings was too small. All property tax bills that the City submitted to the Nation from 1997 to the present add to less than \$60,000, or an annual average of \$7,500 which is less than \$2.50 per capita.

**Spending Pressures** - The City had the lowest poverty rate of all comparable cities included in the analysis in both 1990 and 2003. The proportion of revenues it needed to cover operations increased which indicates an increase in spending pressure.

**Long-term Commitments** - Sherrill had relatively low long-term commitments in 2003. The City's relatively high per capita debt service in 1990 started decreasing between 1996 and 1998 and remained low in 2003. The debt subject to the constitutional debt limit also decreased between 1990 and 2003.

**Per Capita Revenues and Expenditures** - Per capita expenditures and revenues in the City of Sherrill remained stable between 1990 and 2003. Sherrill spent little on public safety throughout the 1990-2003 time period while having high home and community services expenditures.

***Other Cities in Central New York***

While the Nation does not own any land in Utica and Rome, these cities were included in the analysis because they account for forty percent of the population of Oneida County.

Utica, the largest city in Oneida County, had one of the highest poverty rates among comparable communities in both years. A relatively weak resource base in 1990 had weakened further by 2003, due to a decline in full value per capita, but had improved in terms of a decreased property tax burden. In both years, the City exhibited low per capita incomes and a high dependence on intergovernmental revenues. In both periods Utica kept its debt commitments low.

Rome, Oneida County's second largest city, also had a relatively weak resource base in 2003. The City's situation deteriorated between 1990 and 2003, mainly in terms of an increased reliance on intergovernmental revenues. The City ranked around the middle of the range in both years in terms of per capita full value and experienced a considerable increase in per capita incomes between 1990 and 2003. Operating expenditures used a

**Table 3.7-145**  
**Fiscal Health Indicators for Selected Cities**

			Available External Resources				Spending Pressures		Long-term Commitments		
			Per Capita Property Tax Revenues (\$)	Intergovernmental Revenues as % of Total Revenues	Per Capita Income (\$)	Per Capita Full Valuation (\$)	Operating Expenditures as % of Total Revenues	Poverty Rate	Per Capita Debt Service (\$)	Outstanding Debt as % of Full Valuation	Outstanding Debt Subject to Constitutional Debt Limit as % of Debt Limit
<b>Cities with Nation Land</b>											
Oneida	1990	value	164	6.17%	11,637	18,772	91.32%	9.97%	172	5.31%	52.51%
		share	0.23	MIN.	0.50	0.71	0.90	0.14	0.95	0.85	0.90
	2003	value	238	23.13%	18,966	32,991	75.83%	12.50%	163	2.83%	22.83%
		share	0.07	0.52	0.83	0.88	0.19	0.16	0.80	0.28	0.38
Sherrill	1990	value	191	12.46%	14,081	23,595	81.21%	4.07%	99	2.59%	31.52%
		share	0.42	0.02	0.95	0.90	0.50	MIN.	0.73	0.33	0.54
	2003	value	295	9.10%	22,311	39,697	88.16%	2.16%	36.20	0.36%	5.30%
		share	0.28	0.02	0.97	0.92	0.69	MIN.	0.07	0.02	0.16
<b>Other Cities in Central New York</b>											
Rome	1990	value	215	12.59%	11,171	15,474	89.01%	12.06%	90	4.76%	40.11%
		share	0.61	0.04	0.38	0.47	0.78	0.23	0.66	0.80	0.69
	2003	value	390	25.31%	18,604	22,610	88.10%	14.99%	130	4.36%	59.45%
		share	0.71	0.76	0.78	0.40	0.66	0.35	0.61	0.61	0.90
Utica	1990	value	186	29.85%	10,726	14,783	80.16%	21.73%	69	2.98%	30.14%
		share	0.35	0.80	0.23	0.45	0.40	0.90	0.42	0.42	0.50
	2003	value	278	40.73%	15,248	18,966	84.80%	24.50%	73	3.05%	41.69%
		share	0.16	0.97	0.19	0.11	0.47	0.90	0.26	0.35	0.78

Source: The Louis Berger Group, Inc.; Office of the New York State Comptroller; US Bureau of Census.

Note: Per capita income and poverty rates were calculated for 1990 and 2000.

MIN indicates minimum value, meaning that the community was ranked the lowest.

<b>Criteria met by cities included in this analysis:</b>		<b>Number of cities included in this analysis:</b>		<b>Legend</b>	
Geographic:	Upstate NY	1990	43		Better than Most (ranks in top 33%)
Population Size in 2003:	less than 65,000	2003	43		Middle of the Range (34th to 66th percentile)
1990-2000 Growth:	minus 1% plus 1.5%				Worse than Most (ranks in bottom 33%)

**Table 3.7-146**  
**Per Capita Expenditures in Selected Cities**

Per Capita Expenditures (\$) in Selected Cities compared to All Cities in the Central New York Region <sup>1</sup> (N=15)									
	Total Spending per Capita	Expenditures by function						Debt Service Per Capita	
		General Government	Public Safety	Health	Trans- portation	Culture Recreation	Home and Community		
<b>Cities with Nation Land</b>									
<b>Oneida</b>	1990 value	2,834	168	163	1,889	154	45	243	172
	share	1.00	0.92	0.07	1.00	0.71	0.35	0.42	0.85
	2003 value	1,339	104	350	4	171	66	480	163
	percentile	0.42	0.14	0.14	0.85	0.35	0.71	0.71	0.85
<b>Sherrill</b>	1990 value	1,010	106	136	0	103	30	537	99
	share	0.57	0.42	0.00	0.21	0.21	0.14	0.92	0.71
	2003 value	1,268	157	152	0	126	60	736	36
	percentile	0.35	0.42	MIN.	0.21	0.14	0.35	0.92	MIN.
<b>Other Cities in Central New York</b>									
<b>Rome</b>	1990 value	1,359	117	184	636	128	49	154	90
	share	0.85	0.57	0.28	0.92	0.50	0.50	0.00	0.64
	2003 value	1,497	356	452	4	222	63	263	130
	percentile	0.64	1.00	0.64	0.78	0.64	0.42	0.14	0.42
<b>Utica</b>	1990 value	781	105	264	0	68	57	217	69
	share	0.21	0.35	0.71	0.42	0.00	0.71	0.35	0.28
	2003 value	1,122	121	482	1	126	65	251	73
	share	0.07	0.28	0.71	0.50	0.07	0.57	0.07	0.14

Source: The Louis Berger Group, Inc.; New York State Office of the State Comptroller.  
MIN indicates minimum value, meaning that the community ranked the lowest.  
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Schoharie, and Tioga.

**Table 3.7-147**  
**Per Capita Revenues in Selected Cities**

Per Capita Revenues (\$) in Selected Cities compared to All Cities in the Central New York Region <sup>1</sup> (N=15)						
	Per Capita Total Revenues	Per Capita Real Property Taxes	Per Capita Non-Property Taxes	Per Capita Intergov. Transfer	Per Capita Interest Earnings	Per Capita Other Revenues
<b>Cities with Nation Land</b>						
<b>Oneida</b> 1990 value	2,766	164	161	171	53	2,217
share	1.00	0.21	0.78	0.28	0.92	1.00
2003 value	1,288	238	275	298	14	464
share	0.50	0.07	0.78	0.42	0.71	0.78
<b>Sherrill</b> 1990 value	1,048	191	100	131	18	608
share	0.71	0.42	0.28	0.00	0.21	0.85
2003 value	1,337	295	176	122	6	737
share	0.71	0.35	0.14	MIN.	0.28	1.00
<b>Other Cities in Central New York</b>						
<b>Rome</b> 1990 value	1,326	215	111	167	8	824
share	0.85	0.71	0.35	0.21	0.07	0.92
2003 value	1,294	390	235	328	16	327
share	0.57	0.71	0.64	0.64	0.85	0.21
<b>Utica</b> 1990 value	793	186	117	237	32	221
share	0.28	0.28	0.42	0.64	0.50	0.57
2003 value	987	278	210	402	4	94
share	MIN.	0.28	0.42	0.71	0.14	MIN.

Source: The Louis Berger Group, Inc.; New York State Office of the State Comptroller  
MIN indicates minimum value, meaning that the community ranked the lowest.  
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Schoharie, and Tioga.

smaller proportion of revenues in 2003 but an increased poverty rate added to the City's spending pressures. The City also experienced a positive change in its long-term commitments with a decreasing debt burden.

### Towns

The ten towns in which the Nation owns 16,189 acres (which is 93 percent of the land reacquired) were ranked among a group of comparable towns in Upstate New York. All of the 580 towns included in the fiscal health indicator analysis (presented in Table 3.7-148) had a population between 1,000 and 20,000 in 2003 and experienced an average annual population growth between -1% and +1.5% during the last decennium. Tables 3.7-149 and 3.7-150 present per capita expenditures and revenues for each of the towns where the Nation owns land and ranks the neighboring communities among other towns in the Central New York Region.

### **Town of Verona**

The Turning Stone Casino Resort is mostly located in Verona and is built on part of the 8,594 acres of land that the Nation owns in the Town, which comprises 19.3 percent of the Town's land area. Reacquisition started in 1992 and continued from 1994 through 1997. The Nation's most valuable land holdings were not part of Verona's tax prior to the Sherrill decision in 2005. After the decision, the land was placed on the tax rolls.

**Available External Resources** - Verona exhibited a slight improvement between 1990 and 2003 in terms of its resource base. The Town retained low property taxes throughout the time period. While ranked in the middle of the range in terms of per capita income in both 1990 and 2000, per capita full value, another indicator of wealth, was especially low in both years. The reliance on intergovernmental revenues was high in 1990 but fell significantly by 2003.

**Spending Pressures** - Verona's spending pressures were similar or lower than those faced by most comparable towns in both 1990 and 2003. It ranked near the middle of the range in both years in terms of the percent of its revenues that it needs to cover its operations. The Town's poverty rate decreased, from 36th percentile in 1990 to 15th percentile in 2003.

**Long-term Commitments** - Due to a lack of data on outstanding debt in 2003, we cannot draw any conclusions about the Town's long-term debt commitments. The Town's per capita debt service remained in the middle of the range in both years.

**Per Capita Revenues and Expenditures** - Verona's per capita expenditures slightly increased between 1990 and 2003 with the increase occurring between 1990 and 1992. Verona was ranked high in terms of its spending on home and community services for each of the years included in this report. Per capita revenues started increasing between 1992 and 1994 and were ranked higher in 2003 than in the early 1990s. While having a very low property tax burden throughout the 1990-2003 time period, Verona relied more than most comparable towns on revenues categorized in the residual "other revenues" category, which includes funds received from the Oneidas, fines, sales revenues and licenses and on sales tax and other non-property taxes.

### **Town of Stockbridge**

The Nation owns 3,620 acres of land in Stockbridge, which is 17.9 percent of the Town's land area. Land reacquisition started in 1997, with most of the properties being purchased between 1997 and 1998.

**Available External Resources** - The Town of Stockbridge had relatively few external resources available in both 1990 and 2003. Stockbridge is a relatively low wealth community with low per capita incomes and full values. Its reliance on intergovernmental

revenues, however, was never particularly high. Per capita property tax revenue was near the middle of the range throughout the 1990-2003 time period.

**Spending Pressures** - While its poverty rate was close to the median in 1990, Stockbridge had a relatively high poverty rate in 2000. Stockbridge experienced a reduced spending pressure by needing less of its revenues for daily operations.

**Long-term Commitments** - The Town saw a clear improvement during the 1990-2003 period in terms of long-term commitments. While ranking low in 1990 with very high per capita debt and a high debt to full valuation ratio, the Town ranked near the median for all of these indicators in 2003 and eliminated the part of its debt that is subject to the constitutional debt limit. Data for intermittent years shows that the decrease in debt service started between 1998 and 2000.

**Per Capita Revenues and Expenditures** - Stockbridge ranked relatively low in terms of per capita revenues and expenditures throughout the 1990-2003 period. It relied more than most comparable towns on departmental income and spent relatively large amounts on home and community services throughout the time period.

#### **Town of Vernon**

In the Town of Vernon, a total of 1,911 acres of land - about 7.8 percent of the Town's total land area - is owned by the Nation.

**Available External Resources** - The Town of Vernon exhibited a strong resource base in 2003, with an increase in the availability of external resources compared to 1990. Vernon had a low property tax burden through the 1990-2003 time period. Vernon experienced some improvements in terms of the community's wealth, with a per capita income and per capita full value exceeding that of most comparable towns in 2003. Data for intermittent years show that the increased per capita full value started around 1994, which is when the Nation started purchasing land in the town.

**Spending Pressures** - Although Vernon's spending pressures were not particularly high in 2003, it ranked better in 1990 when it was using a smaller percentage of its revenues for operating expenditures. Vernon ranked in the middle of the range in terms of poverty rate in both years.

**Long-term Commitments** - Vernon had very low long-term commitments in 2003, an improvement compared to 1990 when it was ranked closer to the middle of the range. In 2003 the Town did not have any outstanding debt. While its per capita debt service was zero in both 1990 and 2003, it fluctuated somewhat throughout the time period but was always ranked in the bottom 40th percentile.

**Per Capita Revenues and Expenditures** - Per capita expenditures in Vernon fluctuated throughout the time period but the Town mostly stayed at or below the 25th percentile in most years. Per capita revenues were also relatively low throughout the time period with a relatively strong reliance on sales tax revenues.

***Town of Lenox***

The Nation owns 826 acres of land in Lenox, 3.5 percent of the Town's total land area.

**Available External Resources** - Lenox had a relatively strong resource base in 2003, which was an improvement from 1990 when the Town relied heavily on intergovernmental revenues. The Town ranked in the middle of the range in terms of wealth as measured by per capita income and per capita full value. Lenox had a low property tax burden throughout the time period.

**Spending Pressures** - The Town of Lenox faced increased spending pressures between 1990 and 2003. Although it still ranked in the middle of the range for both indicators in 2003, operating expenditures soaked up a larger proportion of the Town's revenues and the poverty rate increased.

**Long-term Commitments** - Lenox had very high long-term commitments in both years, with high per capita debt service and a debt burden. Per capita debt service fluctuated somewhat throughout the 1990-2003 time period but the Town was always ranked at the 60th percentile or above. While ranking near the median in 1990 in terms of its debt to debt limit ratio, the Town had exhausted a relatively high percent of its debt limit in 2003.

**Per Capita Revenues and Expenditures** - Lenox had low per capita expenditures and revenues throughout the 1990-2003 time period.

***Town of Lincoln***

The Nation owns 367 acres of land in the Town of Lincoln, accounting for 2.3 percent of the Town's land area.

**Available External Resources** - Lincoln scored relatively well in terms of the available external resources in both years. The Town had a high per capita income, per capita full value was close to the median, and the per capita revenue burden was kept below the median.

**Spending Pressures** - The Town's spending pressure eased as the share of revenues needed for operations decreased considerably between 1990 and 2003. The Town had a low poverty rate in both years.

**Long-term Commitments** - The Town of Lincoln had relatively low debt commitments in both years, especially in 2003. Per capita debt service decreased between 1990 and

2003 the debt that is subject to the constitutional debt limit was reduced to zero by the end of 2003.

**Per Capita Revenues and Expenditures** - Per capita spending fluctuated considerably throughout the 1990-2003 time period, starting very low in 1990 to increase to the middle of the range, reaching its peak in 1996, and decreasing again to a very low ranking in 2002 and 2003. The high level of spending in the mid-1990s was associated with a temporary increase in spending on contractual services related to the home and community services. In both 1990 and 2003, however, the Town ranks very low in terms of home and community services expenditures. Per capita revenues followed a similar pattern, ranking low (13th percentile) both in 1990 and 2003 but hitting the 76th percentile in 1994. Increased federal revenues from 1994 to 1998 accounted for this revenue increase.

***Town of Smithfield***

The Town of Smithfield includes 296 acres of Nation Indian land, which account for 1.9 percent of its land area.

**Available External Resources** - Smithfield had a very weak resource base in both years, with low wealth and a high property tax burden. In 2003 the Town experienced a decrease in its reliance on intergovernmental revenues which strengthened its resource base slightly.

**Spending Pressures** - In both years, Smithfield was facing very high spending pressures due to very high poverty rates. In 2003 operational expenditures accounted for a larger part of the Town's revenues, creating more pressure on the budget.

**Long-term Commitments** - The Town of Smithfield showed improvements in terms of its long-term commitments in 2003. The Town scored well in terms of per capita debt service and reduced its outstanding debt to zero.

**Per Capita Revenues and Expenditures** - Throughout the 1990-2003 period, per capita revenues in Smithfield were in the middle of the range when ranked among comparable towns. Per capita expenditures were slightly less stable but remained between the 25th and 55th percentile in each of the years included in this report. Public safety expenditures increased significantly between 2000 and 2002, going from 4th percentile in 1990 to 53rd in 2003 due to spending on contractual services related to fire protection.

***Town of Augusta***

The Nation owns 259 acres of land in Augusta, which accounts for 1.5 percent of the Town's area.

**Available External Resources** - Augusta had relatively limited external resources in both 1990 and 2003. The Town experienced an increasing property tax burden but a decreased reliance on intergovernmental revenues between 1990 and 2003. Community wealth was low in both years.

**Spending Pressures** - Spending pressures were eased between 1990 and 2003 as a smaller share of the revenues was needed to cover the costs of operations. Augusta ranked around the middle of the range in both years in terms of poverty.

**Long-term Commitments** - The Town ranked very well in terms of long-term commitments in both years. Per capita debt service increased between 1990 and 2003. However, at the end of 2003 outstanding debt was back down to zero.

**Per Capita Revenues and Expenditures** - Per capita expenditures and revenues hovered around the median for all years included in the study.

#### ***Town of Sullivan***

The Nation owns 181 acres of land in the Town of Sullivan, accounting for 0.4 percent of Sullivan's land area.

**Available External Resources** - Sullivan had a relatively strong resource base in both years. The Town had high per capita incomes and ranked near the median in terms of per capita full value in both years. The property tax burden had been stable throughout the 1990-2003 time period and ranked the Town in the middle of the range.

**Spending Pressures** - Sullivan had low spending pressures in both years. The Town had a low poverty rate and spent only a small share of its revenues on operating expenditures.

**Long-term Commitments** - 1990 Sullivan had a high outstanding debt and high debt service payments. While per capita debt service was still very high in 2003, total debt had come down considerably and ranked the Town near the median.

**Per Capita Revenues and Expenditures** - Both per capita expenditures and revenues remained relatively low (around the 20th to 30th percentile) each of the years included in this report. Sullivan had particularly high public safety expenditures in the 1990s due to spending on contractual services and capital outlay related to fire safety.

#### ***Town of Fenner***

Fenner is one of the municipalities in which the Nation owns very little land, just one 28-acre tax lot. Fenner had a relatively weak resource base in both years, with a high property tax burden in both years and an increased reliance on intergovernmental revenues in 2003. Fenner ranked well in 2003 in terms of the spending pressure indicators and did not have any outstanding debt in 2003.

***Town of Cazenovia***

In Cazenovia, the Nation owns only two properties (burial grounds) with a combined area of 9 acres. Cazenovia is a high wealth community compared to other Upstate New York towns and kept the property tax burden right under the median in both 1990 and 2003. It scored well on the spending pressure indicators and had low debt commitments in both years. (The Nation's land in Cazenovia are tax-exempt.)

**Table 3.7-148**  
**Fiscal Health Indicators for Towns with Nation Land**

	Available External Resources				Spending Pressures		Long-term Commitments			
	Per Capita Property Tax Revenues	Intergovernmental Revenues as % of Total Revenues	Per Capita Income (\$)	Per Capita Full Valuation (\$)	Operating Expenditures as % of Total Revenues	Poverty Rate	Per Capita Debt Service	Outstanding Debt as % of Full Valuation	Outstanding Debt Subject to Constitutional Debt Limit as % of Debt Limit	
Verona	1990 value share	19	30.14%	11,665	17,792	81.05%	8.34%	13	0.71%	0.00%
		0.01	0.79	0.49	0.27	0.46	0.36	0.62	0.86	MIN
	2003 value share	49.59	21%	18,017	29,418	79%	6%	21.54		
		0.05	0.51	0.53	0.25	0.45	0.15	0.65		
Stockbridge	1990 value share	114	24.94%	9,694	16,304	88.48%	11.24%	22	1.05%	1.63%
		0.47	0.62	0.11	0.16	0.74	0.62	0.79	0.91	0.55
	2003 value share	190.71	22.12%	15,856	26,126	70.71%	12.86%	9	0.32%	0.00%
		0.53	0.57	0.24	0.13	0.17	0.77	0.43	0.63	MIN
Vernon	1990 value share	37	25.80%	12,632	21,308	66.03%	9.60%	0	0.06%	1.10%
		0.05	0.67	0.66	0.50	0.06	0.49	MIN	0.36	0.46
	2003 value share	37	23.62%	19,523	56,130	81.68%	9.79%	0	0.00%	0.00%
		0.02	0.65	0.71	0.83	0.55	0.50	MIN	MIN	MIN
Lenox	1990 value share	59	40.38%	11,511	19,886	71.67%	7.81%	16	0.78%	1.04%
		0.14	0.96	0.44	0.42	0.15	0.32	0.68	0.88	0.45
	2003 value share	117	18.57%	17,398	35,012	78.95%	10.64%	24	0.59%	8.54%
		0.26	0.41	0.45	0.45	0.44	0.57	0.68	0.73	0.95
Lincoln	1990 value share	107	25.98%	13,133	23,771	91.84%	7.54%	7	0.05%	1.01%
		0.43	0.67	0.75	0.63	0.82	0.30	0.44	0.33	0.45
	2003 value share	173	24.73%	20,751	36,858	74.92%	5.09%	2	0.07%	0.00%
		0.43	0.66	0.80	0.50	0.28	0.10	0.28	0.36	MIN
Smithfield	1990 value share	147	33.93%	9,594	16,196	82.99%	12.51%	20	0.11%	1.82%
		0.65	0.88	0.10	0.15	0.54	0.72	0.76	0.46	0.57
	2003 value share	270	21.37%	14,860	25,818	91.29%	16.22%	8	0.00%	0.00%
		0.77	0.54	0.10	0.12	0.84	0.93	0.39	MIN	MIN
Augusta	1990 value share	84	28.24%	10,425	15,990	91.85%	9.60%	0.00	0.00%	0.00%
		0.27	0.74	0.23	0.13	0.82	0.48	MIN	MIN	MIN
	2003 value share	195	20.24%	16,367	26,213	84.28%	8.64%	16	0.00%	0.00%
		0.54	0.50	0.29	0.13	0.65	0.40	0.56	MIN	MIN
Sullivan	1990 value share	136	19.91%	13,222	19,770	66.55%	6.14%	31	1.72%	16.06%
		0.59	0.35	0.77	0.41	0.07	0.19	0.86	0.96	0.98
	2003 value share	209	19.09%	20,982	32,536	66.05%	7.01%	73	0.26%	0.00%
		0.59	0.43	0.83	0.37	0.10	0.27	0.93	0.58	MIN
Fenner	1990 value share	204	19.20%	12,780	18,884	75.29%	12.91%	27	0.32%	5.58%
		0.84	0.31	0.69	0.35	0.24	0.74	0.83	0.72	0.86
	2003 value share	234	27.97%	19,409	34,960	69.87%	7.12%	24	0.00%	0.00%
		0.68	0.76	0.70	0.45	0.15	0.28	0.69	MIN	MIN
Cazenovia	1990 value share	98	27.93%	19,684	38,690	84.13%	4.30%	0	0.00%	0.00%
		0.36	0.74	0.99	0.89	0.60	0.07	MIN	MIN	MIN
	2003 value share	158	30.77%	28,957	61,707	73.60%	4.33%	1	0.01%	0.19%
		0.39	0.82	0.99	0.88	0.24	0.07	0.27	0.28	0.58

Source: The Louis Berger Group, Inc.; Office of the New York State Comptroller; US Bureau of Census; the Budget Office of the Town of Verona.  
 Note: Per capita income and poverty rates were calculated for 1990 and 2000; Due to lack of data, poverty rates and per capita income in 2000 were calculated for 558 towns only.  
 MIN indicates minimum value, meaning that the community ranked the lowest.

Criteria met by towns included in this analysis: Geographic: Upstate NY Population Size in 200 1,000-20,000 1990-2000 Growth: minus 1% plus 1.5%	Number of towns included in this analysis:	Legend
	1990 580 2003 580	 Better than Most (ranks in top 33%)  Middle of the Range (34th to 66th percentile)  Worse than Most (ranks in bottom 33%)



**Table 3.7-149**  
**Per Capita Expenditures in Towns with Nation Land**

Per Capita Expenditures (\$) in Towns with Nation Land compared to Central New York Towns <sup>1</sup>								
	Total Spending per Capita	Expenditures by function					Debt Service Per Capita	
		Health	Trans- portation	Economic Assistance	Culture Recreation	Home and Community		
Verona	1990 value	201	0	110	5	1	27	13
	share	0.25	0.22	0.31	0.88	0.13	0.71	0.60
	2003 value	371	0	132	0	3	131	22
	share	0.40	0.37	0.18	MIN.	0.26	0.88	0.69
Stockbridge	1990 value	217	1	110	0	5	34	22
	share	0.32	0.49	0.30	MIN.	0.65	0.75	0.77
	2003 value	332	0	205	0	3	57	9
	share	0.28	0.09	0.45	MIN.	0.29	0.74	0.49
Vernon	1990 value	166	0	94	6	1	16	0
	share	0.14	0.00	0.22	0.90	0.18	0.58	MIN.
	2003 value	321	0	133	0	13	22	0
	share	0.26	0.41	0.19	MIN.	0.72	0.54	MIN.
Lenox	1990 value	126	3	39	0	2	25	16
	share	0.03	0.76	0.00	MIN.	0.35	0.67	0.67
	2003 value	184	6	54	1	9	21	24
	share	0.03	0.84	0.01	0.81	0.61	0.53	0.71
Lincoln	1990 value	157	3	107	0	0	3	7
	share	0.12	0.80	0.28	MIN.	0.02	0.29	0.46
	2003 value	190	4	139	0	4	4	2
	share	0.04	0.74	0.21	MIN.	0.38	0.25	0.35
Smithfield	1990 value	238	1	157	0	2	4	20
	share	0.42	0.51	0.55	MIN.	0.33	0.35	0.74
	2003 value	390	3	257	0	3	10	8
	share	0.44	0.70	0.57	MIN.	0.31	0.40	0.46
Augusta	1990 value	233	0	167	8	4	4	0
	share	0.39	0.00	0.59	0.94	0.54	0.36	MIN.
	2003 value	382	1	267	1	3	10	16
	share	0.42	0.56	0.60	0.66	0.28	0.41	0.59
Sullivan	1990 value	214	3	65	0	16	15	31
	share	0.31	0.75	0.07	MIN.	0.87	0.57	0.85
	2003 value	314	7	83	0	32	24	73
	share	0.23	0.87	0.03	MIN.	0.90	0.57	0.94
Fenner	1990 value	251	0	163	0	3	4	27
	share	0.46	0.34	0.57	MIN.	0.35	0.35	0.82
	2003 value	405	2	293	0	3	4	24
	share	0.49	0.66	0.67	MIN.	0.27	0.26	0.73
Cazenovia	1990 value	168	1	112	0	8	7	0
	share	0.15	0.61	0.32	MIN.	0.72	0.43	MIN.
	2003 value	220	1	125	1	5	18	1
	share	0.08	0.55	0.16	0.76	0.44	0.52	0.34

Source: The Louis Berger Group, Inc.; New York State Office of the State Comptroller; Town of Verona (2003 Verona data)

1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Schoharie, and Tioga.

MIN. indicates minimum values, meaning that the community ranked the lowest.

**Table 3.7-150**  
**Per Capita Revenues in Towns with Nation Land**

Per Capita Revenues (\$) in Towns with Nation Land compared to All Towns in the Central New York Region <sup>1</sup>							
		Per Capita Total Revenues	Per Capita Real Property Taxes	Per Capita Non-Property Taxes	Per Capita Intergov. Transfer	Per Capita Interest Earnings	Per Capita Other Revenues
Verona	1990 value	200	19	92	60	5	24
	share	0.26	0.01	0.84	0.53	0.19	0.73
	2003 value	471	50	170	98	3	151
	share	0.64	0.04	0.89	0.62	0.58	0.93
Stockbridge	1990 value	214	114	0	53	6	41
	share	0.34	0.41	MIN.	0.45	0.28	0.86
	2003 value	330	191	1	73	3	62
	share	0.32	0.47	0.13	0.47	0.50	0.80
Vernon	1990 value	189	37	80	49	15	8
	share	0.21	0.05	0.81	0.36	0.77	0.36
	2003 value	257	37	138	61	3	19
	share	0.14	0.02	0.80	0.33	0.61	0.37
Lenox	1990 value	121	59	1	49	3	9
	share	0.04	0.13	0.47	0.36	0.05	0.37
	2003 value	197	117	2	37	2	39
	share	0.05	0.20	0.15	0.05	0.24	0.68
Lincoln	1990 value	163	107	1	42	6	7
	share	0.13	0.38	0.47	0.24	0.26	0.28
	2003 value	251	173	2	62	3	11
	share	0.13	0.40	0.17	0.35	0.42	0.14
Smithfield	1990 value	235	147	0	80	5	3
	share	0.44	0.58	MIN.	0.69	0.16	0.05
	2003 value	358	270	0	76	1	10
	share	0.41	0.70	MIN.	0.50	0.15	0.14
Augusta	1990 value	220	84	59	62	8	6
	share	0.36	0.23	0.75	0.56	0.50	0.21
	2003 value	396	195	111	80	2	7
	share	0.47	0.48	0.76	0.52	0.33	0.05
Sullivan	1990 value	194	136	1	39	10	8
	share	0.23	0.53	0.48	0.18	0.63	0.37
	2003 value	328	209	5	63	3	48
	share	0.30	0.52	0.22	0.36	0.48	0.74
Fenner	1990 value	266	204	0	51	7	4
	share	0.57	0.80	MIN.	0.40	0.38	0.14
	2003 value	465	234	0	130	3	98
	share	0.63	0.60	MIN.	0.70	0.40	0.86
Cazenovia	1990 value	156	98	0	44	6	8
	share	0.12	0.31	MIN.	0.26	0.31	0.30
	2003 value	264	158	0	81	2	22
	share	0.15	0.34	MIN.	0.52	0.32	0.40

Source: The Louis Berger Group, Inc.; New York State Office of the State Comptroller  
MIN indicates minimum value, meaning that the community ranked the lowest.  
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Schoharie, and Tioga.  
Note: The number of towns included in the 1990 analysis is 248; 235 towns are included in the 2003 analysis.

### *Villages*

For the fiscal health indicator analysis (presented in Table 3.7-151), the three villages in which the Nation currently owns land are part of a set of 177 Upstate New York villages that had a population size between 500 and 5,999 in 2003 and a population growth rate between -1% and +0.1% between 1990 and 2000. Tables 3.7.-152 and 3.7-153 present the per capita expenditures and revenues metrics for each of the three villages, comparing them to other villages in the Central New York Region.

#### **Village of Canastota**

The Village of Canastota includes 226 acres of land owned by the Nation, which represents 10.7 percent of the Village's land. Most of the land was purchased in the late 1990s.

**Available External Resources** - Canastota had a relatively weak resource base in 1990 and was slightly better in 2003. The Village had relatively low per capita income in both years. Per capita full value slightly increased but ranked around the middle of the range in both years. Between 1990 and 2003, the Village's property tax burden slightly increased and the Village's reliance on intergovernmental tax revenues decreased.

**Spending Pressures** - Canastota's spending pressures increased with a growing population living in poverty. (The Village ranked in the middle in 1990 but was ranked in the 77th percentile in 2000.)

**Long-term Commitments** - While Canastota had a very high debt burden in 1990, its outstanding debt ratios were better in 2003. Throughout the 1990-2003 period, the Village had a high per capita debt service.

**Per Capita Revenues and Expenditures** -Canastota exhibited relatively high per capita spending throughout the 1990-2003 period, ranking high in each single spending category, except general government. Canastota's revenues remained high throughout most of the time period but ranked closer to the median in 2003.

#### **Village of Vernon**

In 1998 and 1999, the Nation reacquired 5 properties of land, totaling 10 acres, in the Village of Vernon.

Although the Village of Vernon still had a relatively strong resource base in 2003, its situation was somewhat better in 1990. A relatively high wealth village, it ranked near or above the median both in terms of per capita income and per capita full value in both years. Vernon increased its reliance on intergovernmental revenues between 1990 and 2003 and ranked around the median in the latter year. The Village had a very low poverty rate in both years and reduced spending pressures by using less of its revenues on operations. While the Village was ranked near the median in terms of the debt to

valuation ratio in both 1990 and 2003, its per capita debt service had become very high in 2003, an increase that commenced in the late 1990s. Vernon exhibited relatively high per capita revenues and expenditures in both years, with an increase in per capita spending on transportation-related equipment and construction after 2000.

***Village of Sylvan Beach***

The Nation reacquired seven properties of land in 2004, for a total of 5 acres. No reacquisition activities had taken place in or before 2003.

**Table 3.7-151**  
**Fiscal Health Indicators for Villages with Nation Land**

		Available External Resources				Spending Pressures		Long-term Commitments		
		Per Capita Property Tax Revenues (\$)	Intergovernmental Revenues as % of Total Revenues	Per Capita Income (\$)	Per Capita Full Valuation (\$)	Operating Expenditures as % of Total Revenues	Poverty Rate	Per Capita Debt Service (\$)	Outstanding Debt as % of Full Valuation	Outstanding Debt Subject to Constitutional Debt Limit as % of Debt Limit
Canastota	1990 value	161	31.8%	10,681	15,186	55.1%	10.1%	165	6.7%	12%
	share	0.65	0.92	0.20	0.45	0.05	0.50	0.94	0.90	0.68
	2003 value	288	15.9%	16,324	28,915	72.7%	14.8%	133	3.3%	5%
	share	0.73	0.56	0.34	0.60	0.31	0.77	0.78	0.58	0.51
Vernon	1990 value	107	5.7%	12,853	22,155	83.8%	6.9%	68	2.2%	20%
	share	0.34	0.05	0.67	0.82	0.67	0.25	0.65	0.53	0.78
	2003 value	226	14.4%	17,930	32,707	62.5%	9.7%	189	3.5%	46.1%
	share	0.48	0.52	0.62	0.75	0.11	0.32	0.92	0.59	0.95
Sylvan Beach	1990 value	109	22.5%	10,205	17,069	75.4%	20.1%	209	10.5%	1.6%
	share	0.35	0.80	0.13	0.60	0.35	0.97	0.97	0.96	0.27
	2003 value	539	11.6%	15,876	44,355	60.6%	17.0%	376	10.2%	7.9%
	share	0.98	0.43	0.26	0.90	0.09	0.88	0.99	0.95	0.61

Source: The Louis Berger Group, Inc.; Office of the New York State Comptroller; US Bureau of Census.  
Note: Per capita income and poverty rates were calculated for 1990 and 2000.

Criteria met by villages included in this analysis:	Number of villages included in this analysis	Legend
Geographic: Upstate NY	1990 177	 Better than Most (ranks in top 33%)
Population Size in 2003: 500 - 5,999	2003 177	 Middle of the Range (34th to 66th percentile)
1990-2000 Growth: minus 1% plus 0.1%		 Worse than Most (ranks in bottom 33%)

**Table 3.7-152**  
**Per Capita Expenditures in Villages with Nation Land**

Per Capita Expenditures (\$) in Villages with Nation Land compared to All Villages in the Central New York Region <sup>1</sup>								
	Total Spending per Capita	Expenditures by function					Debt Service Per Capita	
		Public Safety	Health	Trans- portation	Culture Recreation	Home and Community		
Canastota	1990 value	830	86	2	86	17	430	165
	share	0.83	0.76	0.90	0.64	0.58	0.85	0.97
2003	value	861	209	3	157	37	192	133
	share	0.68	0.85	0.85	0.72	0.66	0.51	0.79
Vernon	1990 value	661	78	0	37	8	409	68
	share	0.74	0.68	0.58	0.17	0.34	0.83	0.76
2003	value	1,201	141	0	185	156	440	189
	share	0.82	0.66	0.47	0.85	0.96	0.80	0.92
Sylvan	1990 value	910	8	3	167	68	331	209
	share	0.88	0.06	0.91	0.94	0.95	0.78	0.98
2003	value	1,819	36	5	385	95	497	376
	share	0.94	0.22	0.87	0.98	0.95	0.84	0.99

Source: The Louis Berger Group, Inc.; New York State Office of the State Comptroller  
 1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Schoharie, and Tioga.

**Table 3.7-153**  
**Per Capita Revenues in Villages with Nation Land**

Per Capita Revenues (\$) in Villages with Nation Land compared to All Villages in the Central New York Region <sup>1</sup>							
		Per Capita Total Revenues	Per Capita Real Property Taxes	Per Capita Non-Property Taxes	Per Capita Intergov. Transfer	Per Capita Interest Earnings	Per Capita Other Revenues
Canastota	1990 value	637	161	69	202	23	181
	share	0.78	0.74	0.61	0.90	0.77	0.73
	2003 value	775	288	119	123	7	238
	share	0.62	0.81	0.65	0.57	0.64	0.58
Vernon	1990 value	686	107	60	39	20	460
	share	0.80	0.46	0.56	0.22	0.70	0.92
	2003 value	1,190	226	115	172	8	669
	share	0.84	0.60	0.61	0.69	0.68	0.90
Sylvan Be.	1990 value	858	109	121	193	77	358
	share	0.86	0.48	0.89	0.88	0.97	0.87
	2003 value	1,382	539	260	160	9	415
	share	0.87	0.97	0.99	0.65	0.75	0.82

Source: The Louis Berger Group, Inc.; New York State Office of the State Comptroller.  
1. The Central New York Region includes the following counties Broome, Chenango, Cortland, Fulton, Hamilton, Herkimer, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Schoharie, and Tioga.

### School Districts

#### Overview

The Annual Report on Local Governments from the New York State Office of the State Comptroller shows that, between 1993 and 2003, the State's school districts (not including New York City) increased expenditures more than other local governments. In 2003, school districts throughout the State continued to be largely dependent on property tax revenues and State aid, two revenue sources which together accounted for more than 90 percent of statewide school district revenues (not including New York City). Total outstanding debt for New York State school districts (not including New York City) increased by 125 percent between 1998 and 2003.

The following summarizes the findings of this assessment:

- While per pupil expenditures in the neighboring districts followed the statewide upward trend, they generally increased less than in comparable communities.
- In the two main neighboring districts (V.V.S and Stockbridge) per pupil revenues increased more than in comparable communities.
- Neighboring districts were generally ranked at or above the median in terms of State aid per capita in both years.

- In the three school districts in which the Nation reacquired lands to the highest degree (V.V.S., Stockbridge, and Oneida), per pupil property tax revenues were low and remained stable.
- The neighboring districts' per pupil full value also remained relatively stable before and after the Nation reacquired land.
- Although most neighboring communities faced an increased property tax burden, as measured by the real property tax levy as a percent of full valuation, the increase was part of a trend among Upstate New York school districts and not all districts saw an increase in their ranking relative to comparable communities.
- While most of the neighboring school districts increased their debt between 1990 and 2003, most did not exhibit an increase in their ranking among comparable communities.
- Only Stockbridge and two school districts in which the Nation acquired little land (Madison and Morrisville) ranked higher in terms of per capita debt service in 2003 than in 1990.

*Detailed methodology and findings*

The fiscal condition of the neighboring school districts was analyzed by calculating per pupil revenues, expenditures, and full value metrics and a real property tax to full valuation ratio (See Table 3.7-154). As with the county and municipality analysis presented above, the seven school districts in which the Nation reacquired land were ranked among comparable communities in Upstate New York for both 1990 and 2003. Considerable changes in a school district's ranking over time could potentially be linked to a local event that occurred during that time period, such as the reacquisition of lands by the Nation.

The school districts where the Nation owns land include Sherrill, Stockbridge, Oneida, Canastota, Madison, Morrisville and Cazenovia. The number of school districts included in this analysis is 460 in 1990 and 459 in 2003. The Sylvan-Verona Beach School District, which included the Sylvan-Verona Beach Elementary School, was eliminated in the mid-1990s. The Sylvan-Verona Beach Elementary School is now part of the Oneida City School District.

***Verona-Vernon-Sherrill (V.V.S.) District***

The V.V.S. District includes schools in Verona, Vernon and Sherrill. The district includes about 9,400 acres of Nation land, which is more than 50 percent of the land that was reacquired by the Oneidas.

Per pupil expenditures and revenues fluctuated considerably between 1990 and 2003 but were relatively low in both years. Per pupil State aid hovered around the median throughout the 1990-2003 period. Sherrill's per pupil property tax revenue was relatively low in both years, though it increased slightly from the 18th percentile in 1990 to the 27th percentile in 2003. The district's per pupil full value was relatively low (around 30th

percentile) and stable during the 1990 to 2003 time period. The real property tax burden increased during the 1990-2003 period as the tax levy grew faster than the full valuation.

The district had a relatively low debt service in both years. Its total outstanding debt per pupil decreased relative to other school districts, from being ranked around the middle in 1990 to ranking in the lower third in 2003.

#### ***Stockbridge School District***

All or part of the land reacquired by the Nation in the Towns of Stockbridge, Lincoln, Vernon, and Smithfield and in the City of Oneida is located in the Stockbridge School District. With 4,250 acres, the district has the second largest acreage of reacquired land.

Expenditures per pupil fluctuated over time but were around the median in both years. Stockbridge was ranked around the median in terms of per pupil revenues in 1990 but was ranked considerably higher in 2003 mainly due to an increase in other revenues, a residual category that includes payments received from the Oneidas under the Silver Covenant Grant Program. Throughout the time period, per pupil state aid was high (90th percentile), while per pupil real estate taxes were very low (below 10th percentile). Nevertheless, as full value per pupil remained very low throughout the 1990-2003 period (below 10th percentile), the property tax debt burden increased because the property tax levy grew more than the full valuation.

While the district was doing relatively well in terms of debt commitments in 1990 when it ranked at the median in terms of per capita debt service and ranked low in terms of outstanding debt per capita, it had high per capita debt service and very high per capita outstanding debt in 2003.

#### ***Oneida School District***

The Oneida City School District includes approximately 1,400 acres of land reacquired by the Nation.

Per pupil expenditures and revenues both decreased between 1990, when they were ranked around the middle of the range, and 2003, when they were ranked in the lowest third. While the Oneida District was ranked high in terms of State aid in 1990, it ranked near the median in 2003. Compared to other Upstate New York school districts, the Oneida district received little revenue from property taxes throughout the time period. Between 1990 and 2003 per pupil full value increased but was still well below the median value of Upstate school districts in 2003. The Oneida District experienced a decreased property tax burden with the tax levy to full valuation ratio growing less than in comparable communities.

Per capita outstanding debt was high in 1990 but was below the median in 2003. Its per capita debt service was relatively low in 1990 and even lower in 2003.

**Canastota School District**

Currently, the Nation owns 1,230 acres of land in the Canastota School District.

In terms of per pupil expenditures, the district ranked around the median in 1990 while ranking around the 10th percentile starting in 2000. Its per capita revenues were lower than in most school districts in 1990 and were lower still in 2003. Reliance on State aid decreased between 1990 and 2003, ranking the district relatively low in 2003.

Canastota's per pupil property tax revenue increased from the lower third in the early 1990s to the median from 1996 on. Per pupil full value increased only slightly over time, ranking around the median in 2003. The real property tax levy outpaced full valuation, resulting in an increased property tax burden.

In terms of outstanding debt, Canastota ranked around the median in 2003, which was an improvement compared to 1990. The district's per capita debt service was ranked around the middle in both years.

**Other School Districts**

The school districts of Madison, Morrisville and Cazenovia also include land that was reacquired by the Nation. Together these districts account for about four percent of the Oneidas land or about 700 acres. Per pupil metrics for these school districts are included in Table 3.7-154 below.

**Table 3.7-154  
School Districts with Nation Land**

School Districts with Nation Land compared to All School Districts <sup>1</sup>												
		Full Valuation per Pupil	Real Property Tax Levy as % of Full Valuation	Expenditures per Pupil	Debt Service per Pupil	Outstanding Debt per Pupil	Revenues per Pupil	Revenues by Source				
								Property Taxes per Pupil	State Aid per Pupil	Federal Aid per Pupil	Interest on Investments per Pupil	All Other Revenues per Pupil
Sherrill	1990 value	112,846	1.3%	6,746	173	1,712	5,804	1,436	3,783	195	141	249
	share	0.34	0.17	0.36	0.20	0.55	0.06	0.18	0.52	0.39	0.63	0.64
	2003 value	191,603	1.9%	11,980	678	6,530	11,412	3,657	6,342	599	29	666
	share	0.31	0.51	0.18	0.34	0.32	0.14	0.27	0.42	0.34	0.12	0.87
Stockbridge	1990 value	80,448	1.3%	7,059	331	812	6,569	1,053	4,861	435	38	181
	share	0.06	0.20	0.50	0.50	0.30	0.43	0.06	0.89	0.94	0.05	0.27
	2003 value	141,046	1.8%	13,429	1,797	18,715	14,270	2,607	9,706	866	18	1,073
	share	0.05	0.41	0.42	0.88	0.86	0.73	0.08	0.91	0.64	0.03	0.96
Oneida	1990 value	93,519	1.6%	7,189	231	2,787	6,634	1,523	4,371	242	215	284
	share	0.16	0.53	0.54	0.31	0.73	0.47	0.23	0.78	0.58	0.82	0.77
	2003 value	200,726	1.7%	12,534	206	7,258	11,165	3,427	6,566	703	64	404
	share	0.36	0.36	0.29	0.06	0.37	0.10	0.23	0.46	0.45	0.50	0.51
Cazenovia	1990 value	107,608	1.4%	7,056	423	2,726	6,301	1,531	4,086	222	184	279
	share	0.29	0.29	0.49	0.67	0.72	0.27	0.24	0.66	0.50	0.76	0.74
	2003 value	220,887	2.0%	11,563	980	10,323	11,424	4,452	6,101	604	32	234
	share	0.47	0.62	0.12	0.55	0.54	0.14	0.49	0.39	0.35	0.15	0.05
Madison	1990 value	96,140	1.6%	8,064	350	2,791	6,625	1,545	4,457	376	64	183
	share	0.19	0.53	0.76	0.54	0.73	0.46	0.25	0.80	0.91	0.21	0.27
	2003 value	189,857	2.3%	25,637	1,960	18,503	16,617	4,451	10,097	1,016	193	859
	share	0.30	0.87	0.96	0.91	0.86	0.90	0.48	0.94	0.78	0.93	0.93
Morrisville	1990 value	103,837	2.1%	6,718	93	1,526	6,765	2,151	4,029	275	90	219
	share	0.27	0.93	0.35	0.10	0.50	0.54	0.48	0.62	0.68	0.40	0.51
	2003 value	181,786	1.8%	17,721	1,614	17,763	14,225	3,361	9,459	803	168	434
	share	0.25	0.45	0.77	0.82	0.84	0.73	0.21	0.90	0.57	0.90	0.57
Cazenovia	1990 value	199,284	1.9%	6,714	449	1,547	6,674	3,750	2,393	125	233	167
	share	0.77	0.80	0.34	0.71	0.50	0.48	0.83	0.13	0.13	0.85	0.19
	2003 value	318,237	2.0%	11,096	658	5,305	10,746	6,286	3,725	350	108	269
	share	0.76	0.58	0.06	0.32	0.23	0.05	0.76	0.10	0.08	0.75	0.11

Source: The Louis Berger Group, Inc.; New York State Office of the State Comptroller  
 1. School Districts in New York City, on Long Island, and in the Hudson Valley are excluded from this analysis; a total of 460 and 459 school districts are included in the 1990 and 2003 analysis, respectively. MIN indicates minimum value, meaning that the district ranked the lowest.  
 Note: Non-property taxes are included in the total revenues but are not listed separately in the table. In 1990, only the Cazenovia School District had non-property tax revenues, with per capita values being \$5. In 2003, the Sherrill school district had per capita non-property tax revenues of \$119 and the Cazenovia district's per capita non-property tax revenues equaled \$8.

### 3.7.10 Social Conditions

In 1999, the federal government commissioned a study to examine the behavioral impacts of gambling. The National Gaming Impact Study Commission, which was charged by Congress to study the impacts of gaming, set out to update a previous 1976 federal study on gambling. The 1999 report addressed a wide array of behaviors associated with gambling including personal bankruptcy, crime, employment related impacts, mental health and divorce.

Numerous other government and academic studies have been conducted since the National Gaming Impact Study Commission's report. These studies assess a wide range of potential social impacts associated with the prevalence of gaming. Below is a discussion of possible social costs associated with casino gambling. Whether these social conditions have affected the Study Area communities and the broader area are considered.

#### 3.7.10.1 Bankruptcy

##### **National Trends and Studies**

Over the past fifteen years the rate of individuals declaring bankruptcy has risen dramatically. In the same time period, the number of commercial gaming facilities and casinos has soared. This had led some to an allegation that there is a connection between the two.

In 1999 concern over a possible link between bankruptcy and gambling led the federal government to direct the Department of Treasury to study the relationship between bankruptcy and gambling. Its report, entitled "A Study of the Interaction of Gambling and Bankruptcy," found that there are numerous contributing factors when an individual files for bankruptcy. Three major factors were identified:

- Higher national levels of debt relative to income;
- Increased access to credit cards and consumer credit; and
- Reduced social stigma of declaring bankruptcy.

It also identified demographic factors that put one at risk for bankruptcy, such as divorce, high medical expenses, and unemployment.

The study found no statistically significant connection between state bankruptcy rates and the presence of casino gambling. Further, it found no statistically significant relationship between bankruptcy rates and casinos at a county level. With regard to frequent high-risk gamblers, the U.S. Treasury determined that there is a weak relationship between high-risk gambling and probability of declaring bankruptcy.

A more recent working paper by Creighton University in 2005 by Ernsset Gross and Edward Morse analyzed the same topic as the Treasury Department but came to a different conclusion. The paper concludes that there is a 2.0 percent higher bankruptcy

rate in counties with casinos than those without a casino. The study examined the “lifecycle” effects of casinos and found that after the opening of a casino bankruptcy rates actually decline. However, over time bankruptcy rates increase and after a period of nine years bankruptcy rates in counties with gaming facilities are higher than those with no casino. Specifically, there are 7.82 bankruptcies per 1000 people in casino counties compared to 6.39 bankruptcies per 1000 people in counties without a casino.

**Madison and Oneida Counties**

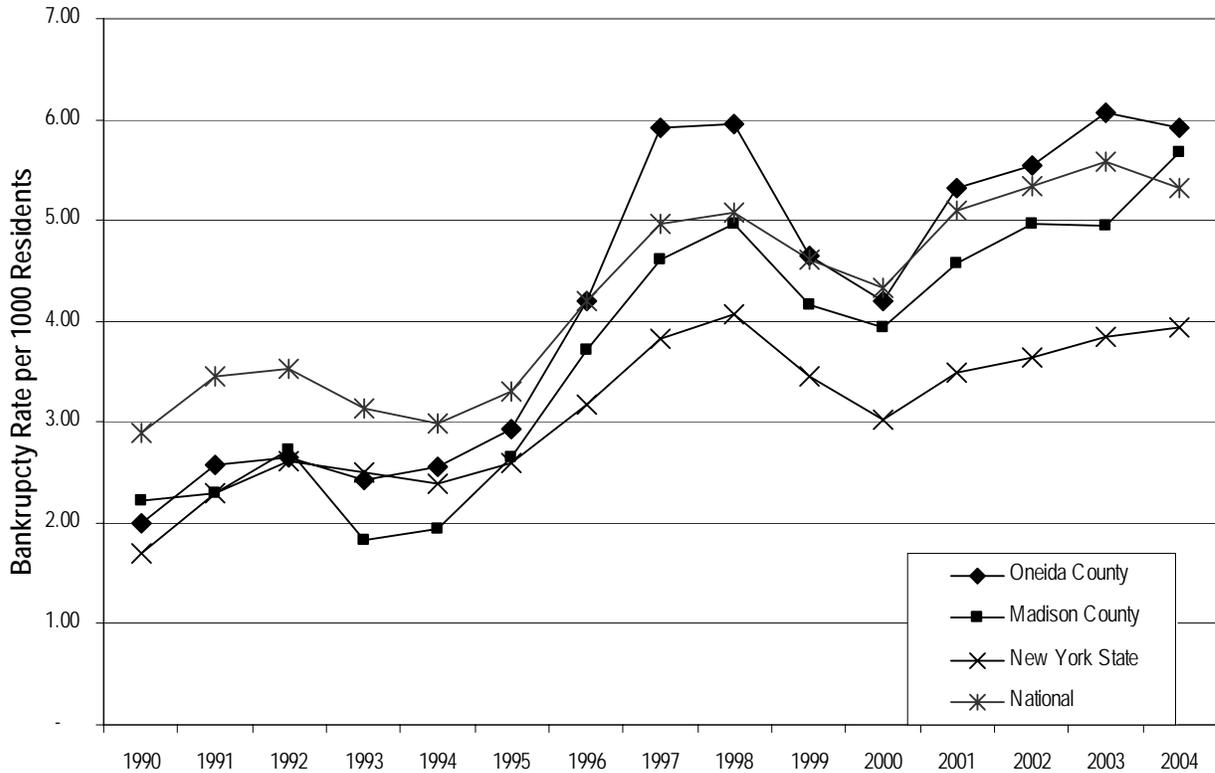
Turning Stone Resort & Casino has been in operation since 1993. As previously mentioned, the bankruptcy rate in the United States has been rising since the early 1990s. Figure 3.7-24 demonstrates the number of non-business related bankruptcy filings per 1000 people in the United States, New York State, Madison County, and Oneida County. As can be seen all four lines mirror one another. Oneida County experienced increased bankruptcy filings in 1997. In 1999, rates briefly dipped below the national average.

Madison County, like the rest of the country, experienced an increase in bankruptcy filings. With the exception of 2004, it has consistently been below national filing trends. While below the national average, Madison County’s bankruptcy rate is higher than New York State. It was lower than the State’s rate only in 1993 and 1994.

In the mid-1990s Griffiss Air Force Base in Rome closed down leading to large layoffs in the Madison and Oneida County region. Prior to 1996, Oneida County had a bankruptcy rate that was higher than New York State but lower than the national rate. In 1996 one more person per 1000 residents filed for bankruptcy in Oneida County than in the nation. The following year had a similar number of bankruptcy filings for both Oneida County and the country. In 1998, both the national and Oneida County’s bankruptcy rate fell. Oneida County’s fell more steeply and was the same as the national rate. Since then, the County’s rate has been slightly higher than the national average and follows national trends.

As has been noted, many factors contribute to bankruptcy. While the counties have bankruptcy rates higher than the State average, Madison County’s is lower than the national rate and Oneida’s is slightly higher than the national rate. Bankruptcy trends in Madison and Oneida County generally trend with those of the State and the nation. This suggests that larger national and state trends, such as unemployment and the economy, play a role in the bankruptcy rates experienced in Madison and Oneida County.

**Figure 3.7-24**  
**Non-Business Bankruptcy Filings per 1000 Residents,**  
**Madison County and Oneida County, 1990 2004**



Source: Public Access to Court Electronic Records (PACER), Administrative Office of the United States Courts, United States Judiciary

### 3.7.10.2 Crime

#### **National Trends and Studies**

Increased crime is often cited as a negative externality of casinos. This topic has been studied by economists and social scientists as the number of gambling facilities has increased. The previously mentioned National Gaming Impact Study Commission’s report did not study the impacts of gambling on crime. It did determine that pathological gamblers are more likely to commit crime than other citizens. The report also noted other studies that have found a connection between gambling and increased crime may be unreliable due to the methodology.

The Governmental Accountability Office (GAO) in a report entitled “Impact of Gambling: Economic Effects More Measurable than Social Effects” published in 2000 analyzed Atlantic City and found that crime did increase after the introduction of casinos. However, it concluded that too many factors play a role in crime and it is unknown whether or not crime would not have increased without the casinos.

More recent studies conducted after the publication of these government reports by Gazel, et al. suggest that crime may increase after the introduction of a casino to a community. Stitt, et al. found that in 51 percent of communities with casinos crime increased. They did not find any change in crime rates two or three years after the casino opened.

Grinols and Mustard, in their 2005 study, concluded that casinos increase all index crimes (index crimes are categorized as murder, rape, robbery, aggravated assault, burglary, larceny and motor vehicle theft) except murder. Specifically, their study determined that 8.6 percent of property crimes and 12.6 percent of violent crimes in counties with casinos were attributable to the casino. The crimes were estimated to cost the average person \$75 in 1996 dollars. Additionally, crime does not generally increase until three years after the casino opening.

#### **Madison County and Oneida County**

In 1996, the New York State Task Force on Casino Gambling issued a report to the Governor George Pataki to assess the potential effects of casino gambling throughout New York State. The report notes that nationwide there were modest increases in low-level offenses after the introduction of a casino. The report cites the Turning Stone Resort and Casino as an example of what may happen if casino gambling were to expand in New York State. It states, “crime has been low and limited to less serious property crimes. Moreover, an analysis of crime within a 50-mile radius of Turning Stone does not support the notion that casino gambling has brought crime to surrounding communities.

Index crimes, due to their seriousness and frequency, serve as indicators of the nation’s crime experience. Like other law enforcement agencies, the New York State Division of Criminal Justice Services divides index crimes into two categories, violent crime and property crime. Within the violent crime category are murder, rape, robbery, and aggravated assault. Property crime consists of burglary, larceny, and motor vehicle theft.

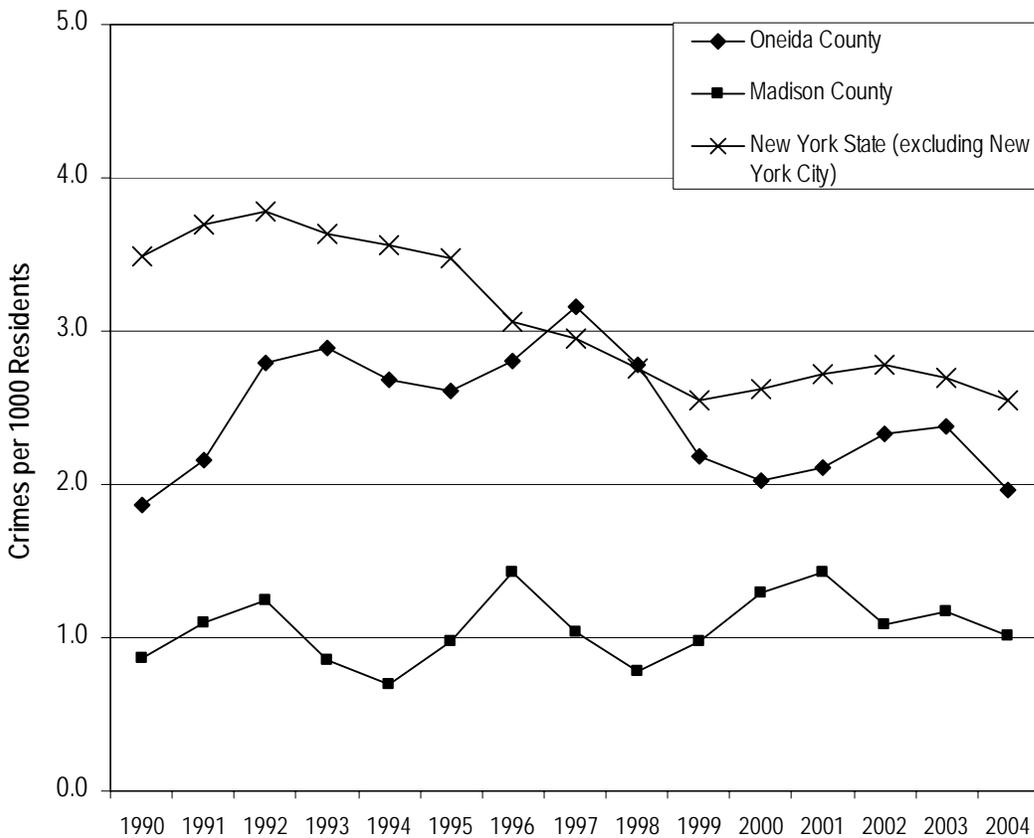
Madison and Oneida Counties have lower violent crime rates than New York State (excluding New York City). Both have experienced fluctuations over time. In the case of Madison County, its violent crime rate and property crime rate are much lower than the State. Oneida County’s violent crime rate is lower than the State’s with the exception of 1997; the County’s property crime rate was lower than the State’s prior to 1995, but in 1995 it climbed to above the State rate. Though it has declined since then, it is still higher than the overall State.

Below are graphics that illustrate violent and property crime rates for the two Counties and New York State (non New York City). With regard to violent crimes, after 1993 when the casino opened both counties experienced a drop in violent crime. However, in subsequent years the rate increased at a time when the overall State rate had been steadily

declining. In 1997, both counties began to experience a drop in violent crime and by 2004 the violent crime rates were similar to pre-Turning Stone Resort & Casino levels.

In the early 1990s, property crime rates in both Counties were lower than the State's property crime rate. Like the State, both Counties were experiencing a decline in property crime. However, in 1993 the Counties began to experience an increase in property crimes while the

**Figure 3.7-25**  
**Violent Crime Rates, Madison County, Oneida County,**  
**and New York State, 1990-2004**

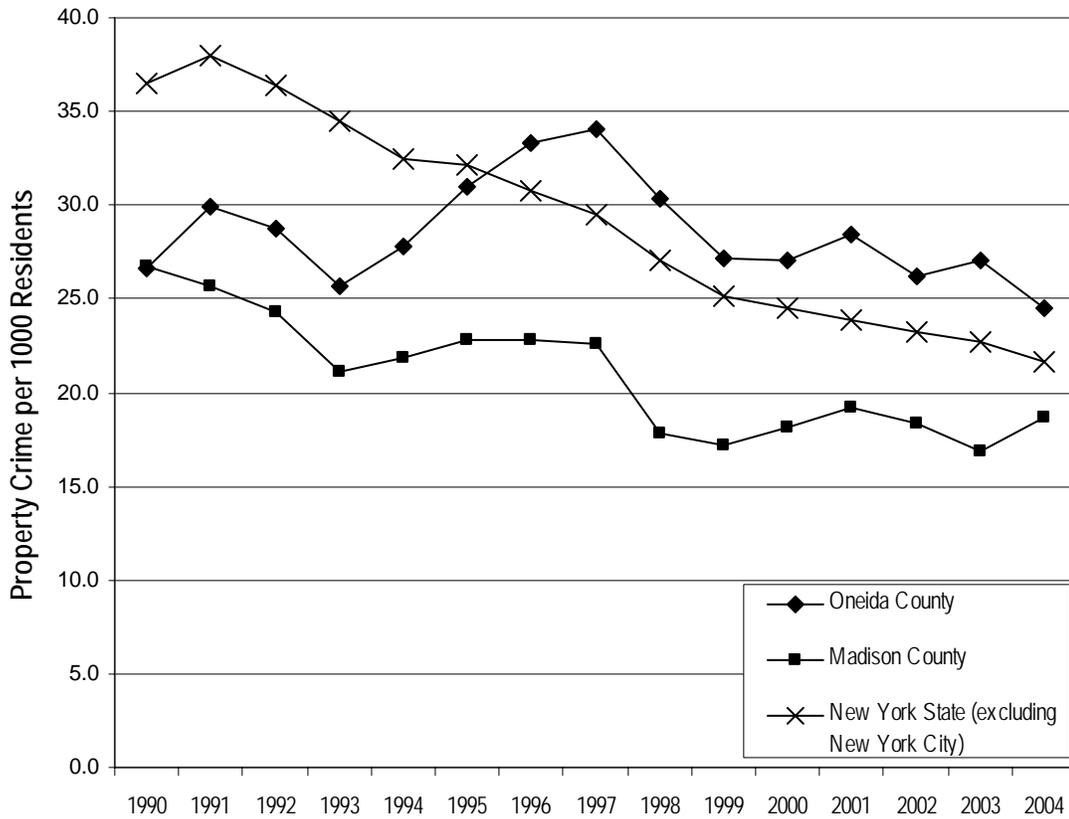


Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system.

State property crime rate continued to decline. The number of crimes began to decline again in 1997. By 2004 crime in Madison County was lower than in 1990 and the State rate. Oneida County's crime rate in 2004 was lower than in 1990 but it was still higher than the State rate.

It is worth noting that the Nation lands occupy only a small portion of the two counties, 1.6 percent in Madison County and 1.4 percent in Oneida County, and that the Nation did not own much land in the early 1990s. Oneida County contains the cities of Utica and Rome, two of the twenty largest New York cities, which both have problems typical to large urban areas. To analyze more closely the crime rates in the surrounding communities, crime rates were examined at the police district level. In Madison and Oneida County, towns

**Figure 3.7-26**  
**Property Crime Rates**  
**Madison County, Oneida County, and New York State, 1990-2004**



Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system.

do not have their own police department; only villages and cities do. Towns and some villages in these counties do not have their own force; rather, they rely on the state police and county sheriff for policing services. The following graphs highlight the local police districts in which the Nation owns property.

Madison County Municipalities

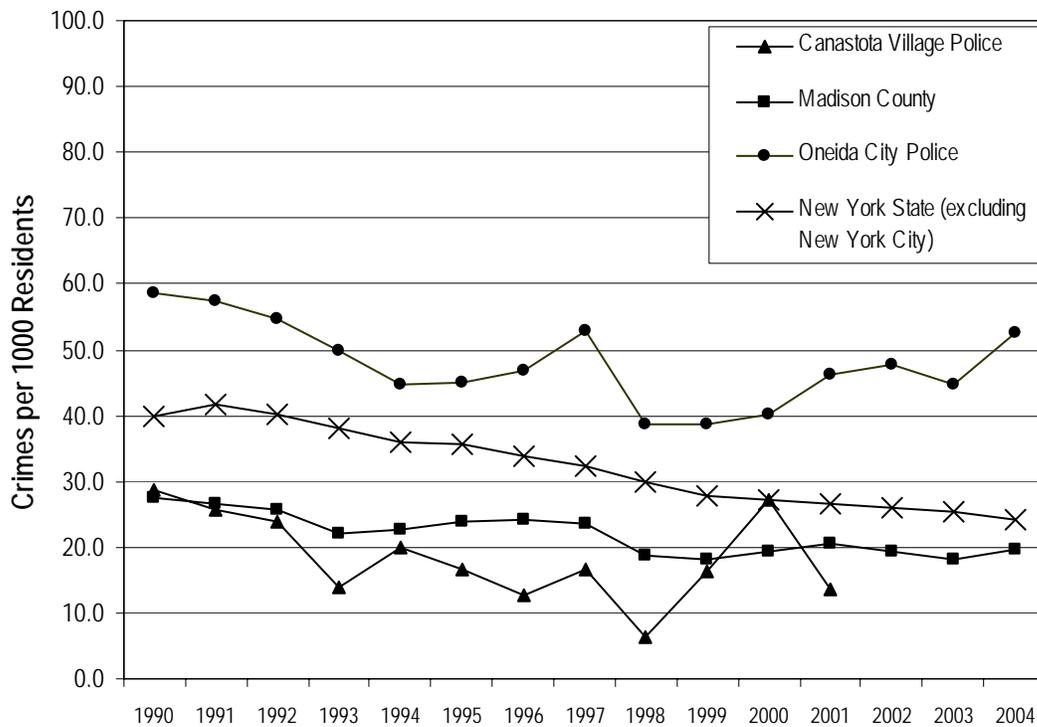
As depicted in Figure 3.7-24, Canastota experienced a drop in index crimes from 1990 to 1993. After 1993 both the village (from 14 crimes per 1000 to 20) and the County rates rose (from 22 crimes per 1000 to 23), though Canastota’s rose at a much steeper rate.

Canastota has crime rates lower than the overall County with the exception of 2000. In 2001 the rate dropped below the County level and was at its second lowest reported number of crimes per 1000 residents from 1990 to 2001.

In contrast to Canastota, the City of Oneida has had higher crime rate than the County average. Like Canastota it experienced a decline in the crime rate from 1997 to 1998. However, after 1998, crime rate increased in the City.

For comparison's sake, New York State (excluding New York City) was also included in the graph. As can be seen, the City of Oneida had a higher number of crimes per 1000 residents than the overall State. On the other hand, Madison County and Canastota have a lower crime rate than the State (non-New York City).

**Figure 3.7-27**  
**Index Crimes in Canastota Village and City of Oneida,**  
**Madison County 1990 - 2004**

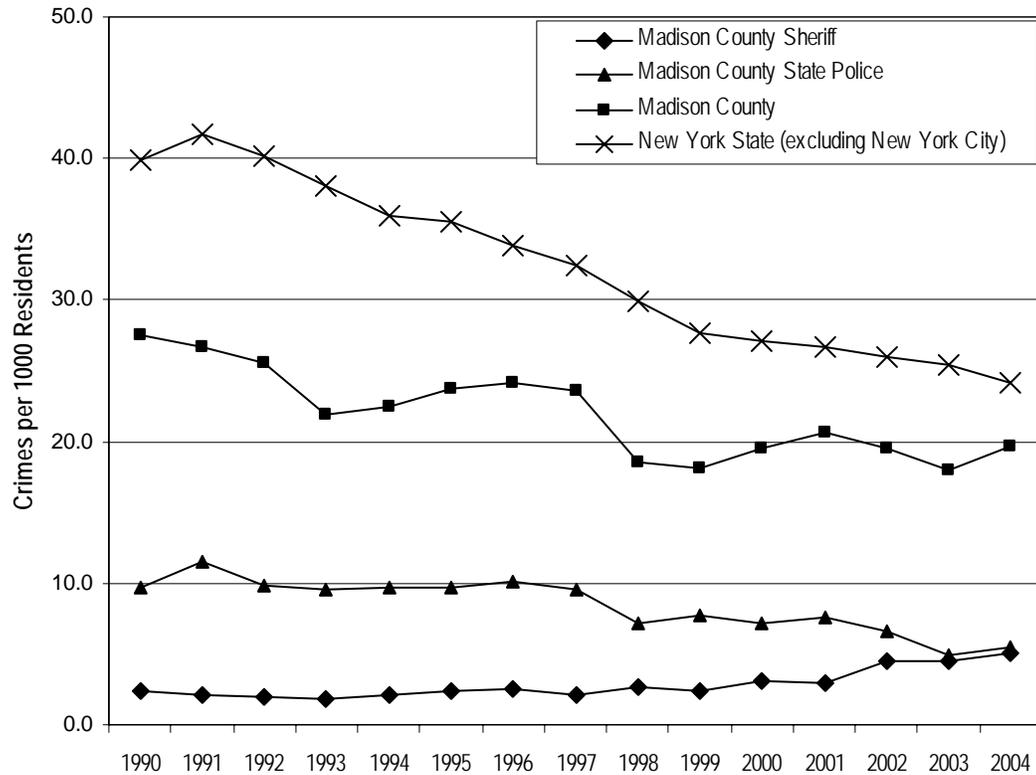


Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system.

Note: The Village of Canastota did not report crimes to the New York State Division of Criminal Services for the years 2002-2004.

In New York State, villages and cities have their own police forces; towns are patrolled by the county sheriff's office and the county state police. Figure 3.7-27 illustrates the number of crimes reported to the county sheriff and county state police. Overall, the crime rate in the towns is significantly less than the County or State average.

**Figure 3.7-28**  
**Index Crimes in Madison County, 1990 to 2004**



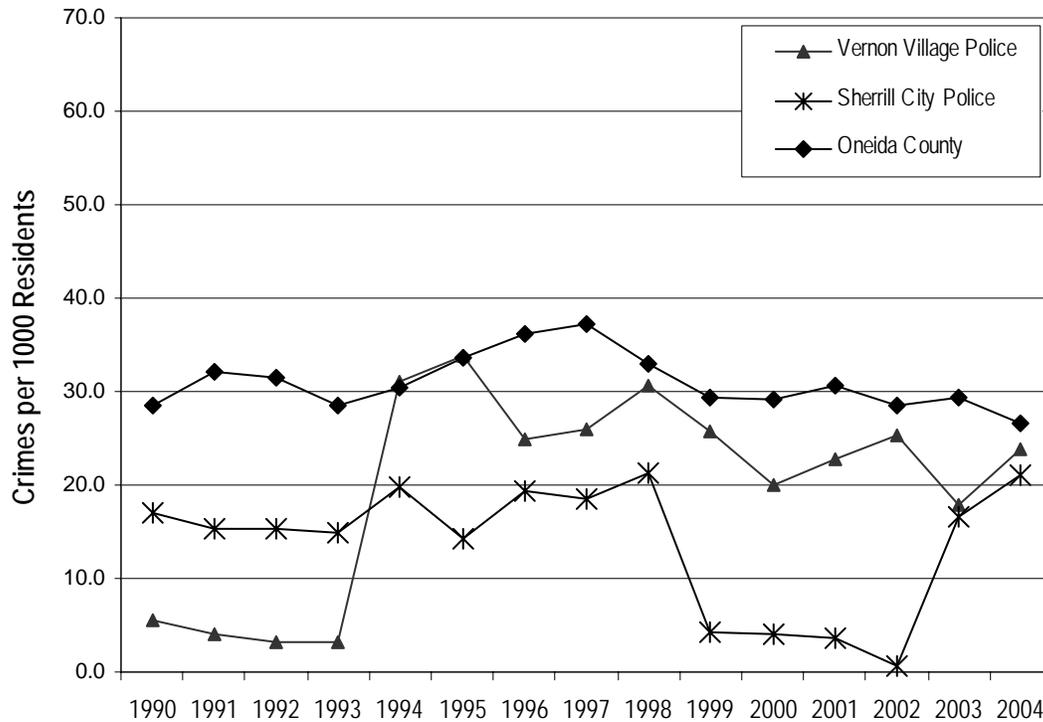
Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system.

***Oneida County Municipalities***

Both the Village of Vernon and the City of Sherrill experienced an increase in crime in 1993. Prior to then, both had a crime rate lower than that of Oneida County. However, after 1993, Vernon Village’s rate rose dramatically and matched Oneida County’s crime rate. Sherrill experienced a much smaller increase of 14.9 crimes per 1000 residents to 19.8 crimes per 1000 residents. In 1998 crime rates in Vernon Village, Sherrill, and Oneida County all began to drop. Since then they have risen again and in 2004 Vernon and Sherrill had crime rates higher than their 1990 levels.

As in Madison County, the Oneida County Sheriff and Oneida County State Police, which patrol the towns, reported crime rates much lower than the overall County levels (See Figure 3.7-28). Both the Sheriff and the County State Police crime rates have remained fairly level over time.

**Figure 3.7-29**  
**Index Crimes for Selected Oneida County Villages and Cities,**  
**1990-2004**

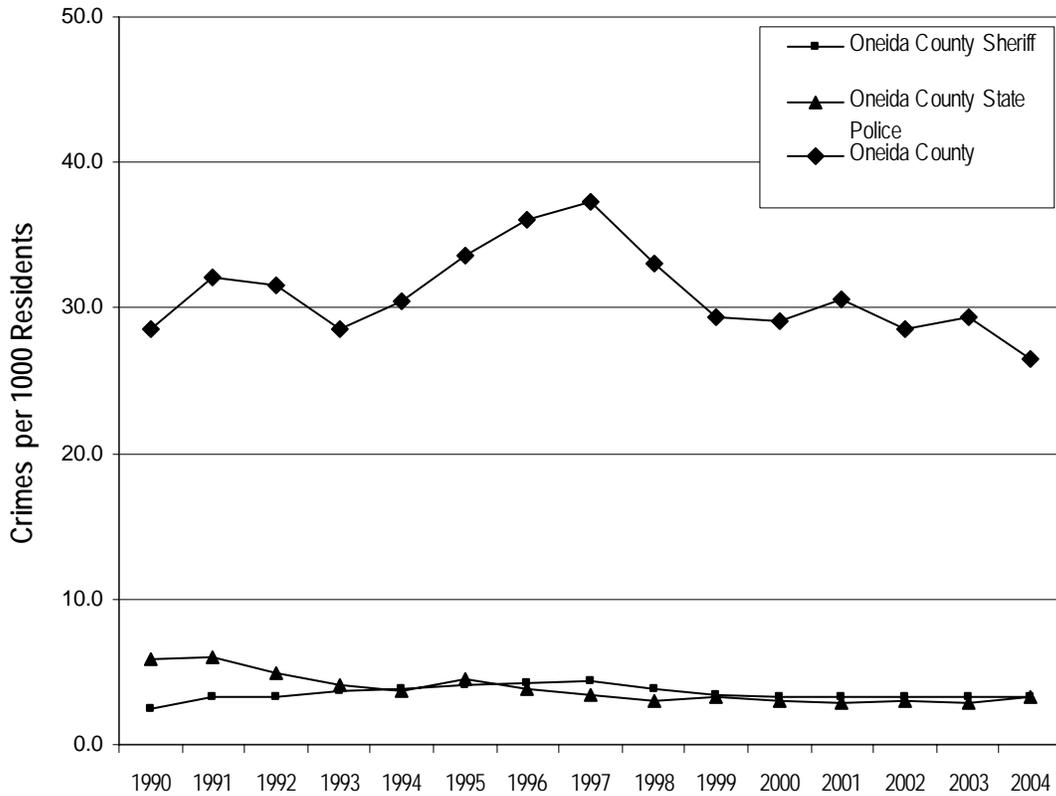


Note: The City of Sherrill reported 11 months for the years 2001 and 2002.  
Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system.

*Crime at the Turning Stone Resort & Casino*

As discussed in Section 3.7.5.1, the Nation maintains its own police force to patrol its properties, including the Turning Stone Resort & Casino. The Nation Police maintains detailed records of their call response activities. In 2003, the Nation Police received 12,488 calls for service. Of the calls, 21.5 percent, or 2,683 calls, occurred at the Turning Stone Resort & Casino. Many of the calls were for regularly scheduled tasks such as money escorts, which totaled 1,433 calls or an average of four a day, and background investigations on potential employees, which in 2003 totaled 871 calls. The Nation’s SavOn gas stations and convenience stores accounted for the largest number of service calls attributable to drive-offs, according to Arthur Pierce, Oneida Indian Nation Police Department Commissioner.

**Figure 3.7-30**  
**Index Crimes in Oneida County, 1990-2004**



Source: New York State Division of Criminal Justice Services, Uniform Crime Reporting system.

### 3.7.10.3 Problem Gambling

#### **National Trends and Studies**

The previously mentioned National Gambling Impact Study Commission report estimates that there are 117.5 million adult gamblers in the United States that do not “evidence negative consequences” and 7.5 million who are either problem or pathological gamblers. The American Psychiatric Association classifies pathological gambling as an impulse control disorder with three dimensions: damage, loss of control, and dependence. Pathological gambling often occurs in conjunction with other behavioral problems such as substance abuse, mood disorders and personality disorders.

Based on a National Opinion Research Center at the University of Chicago study conducted in the 1999 for the National Gambling Impact Study Commission, living within 50 miles of a casino increases the lifetime prevalence of problem gambling from 1.2% of the population to 2.3% and of pathological gambling from 0.9% to 2.1%.

**Madison County and Oneida County**

Recognizing that problem gambling is a serious concern, the Nation has taken steps to ensure that problem gamblers are aware of available programs. Additionally, the Nation has taken active measures to ensure that their business operations do not enable problem gambling. This includes annual mandatory compulsive gambling intervention training for all player development hosts, Oneida Nation Gaming Commission inspectors, and all managers and supervisors in the gaming and security departments. In addition, a variety of printed materials concerning problem gaming, such as posters and rack cards, are displayed in public areas of the casino and identify organizations that provide help and treatment. Employees can also orally distribute the information. There are public service announcements on the Turning Stone & Casino's web site, and via telephonic recordings (i.e., "on hold" messages).

The Turning Stone Resort & Casino also has extensive interaction with outside agencies that work with problem gamblers. The Human Resources group at Turning Stone Resort & Casino works very closely with the New York Council on Problem Gambling (NYCPG), a not-for-profit independent corporation not affiliated with the Government of the State of New York. Once a year, the NYCPG comes to train employees to recognize and deal with problem gamblers. Positions requiring Annual Problem Gaming Awareness Training are as follows:

- Games Shift Managers
- Games Pit Managers
- Games Floor Supervisors
- Security Shift Managers
- Security Shift Supervisors
- Security Officers
- Player Development Hosts
- Gaming Commission Inspectors

The Turning Stone Resort & Casino reimburses NYCPG for the cost of this training. The NYCPG also periodically reviews internal policies and controls for managing problem gamblers. Additionally, the Turning Stone Resort & Casino recently joined the National Conference on Problem Gaming.

Finally, the Turning Stone Resort & Casino management and the Oneida Nation Gaming Commission have implemented a voluntary program whereby patrons with a gambling problem can have their names included on a list of individuals who are to be denied admission to the casino. Individuals on this list cannot return to the casino without the prior approval of the Oneida Nation Gaming Commission and strict rules govern whether someone may be reinstated. For a voluntarily excluded person to be taken off the list, he

or she must send a written request to the Gaming Commission after staying on the list for a minimum of one year. If a person places himself on the list a second time, he must wait a minimum of two years to return and a hearing before the Gaming Commission is mandatory. If a person places herself on the list for a third time, the ban is permanent and she may not be reinstated.

The Oneida Nation Gaming Commission, the principal government entity that is responsible for regulating all gaming activities at the casino, provided a statistical snapshot of its exclusion list for months in 2001, 2003, and 2006.

**Table 3.7-155  
Number of Persons on Turning Stone  
Resort & Casino Exclusion List**

	Voluntary	Involuntary	Total
October 2001	166	300	466
March 2003	211	351	562
March 2006	384	514	898

Source: Oneida Nation Gaming Commission, The Nation, unpublished, 2006

When an individual asks to put his name on the voluntary exclusion list, Turning Stone Resort & Casino, in addition to honoring the patron’s request, refers the individual to the professional counselors at Human Technologies Corporation, a Utica-based organization that provides gambling counseling and educational services in Central New York. Human Technologies began providing professional counseling and education services in 1996. Additionally, it provides general education, training and outreach programs to mental health and addiction service providers, schools, families, and significant others affected by someone with a gambling problem.

According to Human Technologies, an average of 179 people a year have sought their counseling services. Approximately 55 percent are casino gamblers; others trace their addiction to the lottery, internet gambling, horse track racing, and/or sports betting. Additionally, 25 percent have a co-occurring disorder such as substance abuse or depression. The following table illustrates the number of people seeking help at Human Technologies.

**Table 3.7-156  
Number of Individuals Seeking  
Treatment at Human Technologies, 1996 - 2005**

Year	Individuals Seeking Treatment	Total Number of Visitors to Turning Stone Casino	Percentage of Total Visitors
1996	130	2,397,200	0.005%
1997	140	2,504,562	0.006%
1998	150	3,386,682	0.004%
1999	153	3,547,603	0.004%
2000	167	3,501,938	0.005%
2001	180	3,805,922	0.005%
2002	176	4,163,002	0.004%
2003	223	3,942,275	0.006%
2004	250	4,164,751	0.006%
2005	223	4,458,063	0.005%

Source: Human Technologies, Utica, New York, 2006, unpublished

As can be seen, the number of people seeking help at Human Technologies represent a small fraction of the total number of visitors to the Turning Stone Casino. Additionally, the Nation has put in place numerous support systems to ensure that individuals and their families have access to support and counseling.

#### 3.7.10.4 Suicide

##### **National Trends and Studies**

An increase in suicide rates is believed to be an unfortunate result of the introduction of casinos. A 1992 study concluded that problem and pathological gamblers have a higher suicide rate than the rest of the public (Lesieur). Another study completed by Phillips et al. examined whether gamblers or those associated with them experience atypically high suicide rates. Phillips et al. found that Las Vegas, which is home to many of the nation's casinos and gambling facilities, has the highest levels of suicide in the nation, both for residents of Las Vegas and for visitors to that setting. "In general, visitors to and residents of major gaming communities experience significantly elevated suicide levels. In Atlantic City, abnormally high suicide levels for visitors and residents appeared only after gambling casinos were opened. The findings do not seem to result merely because gaming settings attract suicidal individuals." Specifically, visitors to Atlantic City, NJ, and to Reno, NV, were 1.75 and 1.5 times more likely to commit suicide.

##### **Madison and Oneida County**

Suicide rates in Madison and Oneida County have experienced fluctuations over time. Table 3.7-157 below illustrates the number of suicides per 10,000 residents from 1991 to 2003, the earliest and latest data available.

**Table 3.7-157**  
**Suicide Rates per 10,000 Residents,**  
**Madison and Oneida County, 1991 - 2003**

Year	Madison County	Oneida County	New York State (non New York City)
1991	0.6	1.0	0.9
1992	0.9	1.0	0.9
1993	0.7	1.0	0.8
1994	0.6	0.6	0.9
1995	0.7	0.9	0.8
1996	0.4	1.0	0.8
1997	0.9	0.5	0.8
1998	0.7	0.8	0.8
1999	0.6	0.5	0.7
2000	1.0	0.8	0.8
2001	2.0	1.2	0.8
2002	1.0	0.6	0.8
2003	1.3	0.9	0.7

Source: New York State Department of Health

New York State's (non-New York City) suicide rate has remained constant over the time range with both an average and median of 0.81 suicides per 10,000 residents. Both counties experienced a drop in suicides in 1993 while the State rate remained level.

Madison County's rate has risen and fallen above and below the State rate with no discernable direction. It had a low of 0.4 in 1996 to a high of 2.0 in 2001. Oneida County has experienced similar ups and downs with a low of 0.5 in 1997 and a high of 2.0 in 2001. The two counties experience rises and falls in the suicide rate at similar times.

Suicide and the depression that generally precedes suicide is an extremely complex matter, both sociologically and psychologically. It is very difficult to measure how much of an impact gambling has on the decision making process that leads someone to take his own life. Those who argue that there are large social costs to casinos concede that "the literature has not provided sufficiently reliable social cost estimates" (Grinols, and Mustard, 2001).

### 3.7.10.5 Social Costs

Several cost-benefit analyses have attempted to quantify the social cost of gambling, with estimates ranging from insignificant to very serious (Collins and Lapsley). Most studies lack a clear definition of the term "social cost" and the elements included in the cost estimates vary across studies (Collins and Lapsley, Walker and Barnett). Examples of costs used in the literature are bankruptcy, theft, suicide, depression, divorce, unemployment benefits, income lost from missed work, and corruption of public officials. Many of the costs that are included in the cost-benefit analyses are difficult to quantify

and many studies do not indicate how they quantified the costs. Furthermore, because pathological gambling is often accompanied by other behavioral problems, such as substance abuse, it is difficult to establish the causality between gambling and the problems faced by the pathological gambler such as unemployment and depression. Even when gambling is a factor, it is very difficult to establish whether it is a primary factor and to quantify the degree to which it contributed to the problem.

Walker and Barnett address the lack of a social cost definition in the gambling literature by defining an action's social cost as "the amount by which that action reduces aggregate societal wealth". According to this definition, transfer payments (e.g., unemployment benefits) and other transfers of wealth from one person to another (e.g., theft) do not constitute social costs. While theft itself does not represent a social cost (because it is a transfer of wealth from the victim to the thief), social costs associated with theft include the psychological cost on the victim and the opportunity cost associated with the use of resources to prevent theft (e.g., buying locks).

Collins and Lapsley highlight the difference between social costs and private costs, the latter including only those costs to the gambler himself that he rationally considered prior to gambling. Following this definition, costs borne by problem and pathological gamblers could thus constitute social costs. However, there is no agreement in the literature about the definition of "rationality" or even about the legitimacy of including any costs borne by the gambler in a social cost estimate.

Examples of estimates of the social costs of gambling are presented below. All of these studies presented itemized cost estimates.

- Thompson, et al. estimated the annual cost per problem gambler at \$9,496. Costs include lost work hours, unemployment compensation, lost productivity, bad debts, civil court, thefts, arrests, trials, probation, incarceration, therapy, and welfare.
- While Walter and Barnett do not provide their own estimate of the social cost of gambling, they reduce the estimated cost per compulsive gambler that was presented by Thompson et al. in a 1997 study from \$9,469 to \$2,974 by taking out transfers of wealth such as unemployment benefits, theft, and bad debts. The adjusted cost estimate includes the cost of civil court cases, police, trials, incarceration, the cost to collect bad debts, and the cost of treatment. The authors point out that this adjusted estimate would be lowered further if these costs were not solely attributed to pathological gambling.
- A study prepared by the National Opinion Research Center (NORC) at the University of Chicago performed for the National Gambling Impact Study Commission in 1999 provides an estimate of the social cost of gambling that includes the cost of job loss, unemployment benefits, welfare benefits, poor physical and mental health, and pathological gambling treatment. The study estimated an annual social cost of \$715 per problem gambler and of about \$1,200

per pathological gambler. NORC estimated that after deducting the costs that are transfer payments such welfare and unemployment benefits, the annual social cost is \$560 per problem gambler and \$1,050 per pathological gambler.

- In addition to annual impacts, NORC also estimated lifetime impacts, which include the cost of bankruptcy, arrests and corrections, and divorce. They estimated lifetime cost at \$5,130 and \$10,550 for problem and pathological gamblers, respectively. Without transfer payments, lifetime social costs are \$3,580 for problem gamblers and \$7,250 for pathological gamblers.